BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH (BENCH-III), NEW DELHI

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. CA (CAA) 12 (ND) OF 2020

IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230, 232 & 66

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

AND

IN THE MATTER OF

BLACKIE & SON (CALCUTTA) PVT LTD

APPLICANT NO. 1/TRANSFEROR COMPANY NO. 1

NIRJA PUBLISHERS & PRINTERS PVT LTD

APPLICANT NO. 2/TRANSFEROR COMPANY NO. 2

DS DIGITAL PVT LTD

APPLICANT NO. 3/ DEMERGED COMPANY NO. 1

SAFARI DIGITAL EDUCATION INITIATIVES PVT LTD

APPLICANT NO. 4/ DEMERGED COMPANY NO. 2

AND

S CHAND AND COMPANY LTD

APPLICANT NO. 5/TRANSFEREE COMPANY NO. 1

EXPLANATORY STATEMENT

[Under sections 230, 232 & 66 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any]

1. A joint Application being CA (CAA) 12 (ND) of 2020, was filed before the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi (hereinafter referred to as "the Tribunal/NCLT") under the provisions of section 230, 232 & 66 of the Companies Act, 2013, and other applicable provisions, if any, in connection with the proposed Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Pvt Ltd, Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd, Safari Digital Education Initiatives Pvt Ltd and S Chand and Company Ltd (hereinafter referred to as "the Composite Scheme of Arrangement" or "the Scheme of Arrangement" or "this Scheme or "the Scheme") and other connected matters, if any.

2. The Scheme of Arrangement, inter alia, provides for the following:

   i. Amalgamation of Blackie & Son (Calcutta) Pvt Ltd and Nirja Publishers & Printers Pvt Ltd (the Transferor Companies No. 1 & 2, respectively) with S Chand and Company Ltd (the Transferee Company No. 1) [Amalgamation-1];

   ii. De-merger of Education Business (Demerged Business) of DS Digital Pvt Ltd and Safari Digital Education Initiatives Pvt Ltd (the Demerged Companies No. 1 & 2, respectively) into S Chand and Company Ltd (the Transferee Company No. 1);

   iii. Amalgamation of DS Digital Pvt Ltd (the Demerged Company No. 1) [with the residual business remained in the Company after the de-merger of its Education Business] with Safari Digital Education Initiatives Pvt Ltd (the Demerged Company No. 2) [Amalgamation-2]; and

   iv. Other matters connected with the aforesaid amalgamation and de-merger.

   A copy of the Scheme of Arrangement setting out the terms and conditions of the proposed amalgamation/de-merger and other connected matters, is enclosed with this Explanatory Statement.

3. Pursuant to the Order dated 10th February, 2020 (date of pronouncement), passed by the Hon'ble Tribunal, in the above referred joint Company Application, separate meetings of the following categories/classes of Stakeholders are scheduled to be convened under the supervision of the Hon'ble National Company Law Tribunal, for the purpose of considering and, if thought fit, approving, with or without modifications, the proposed Scheme of Arrangement and other connected matters, if any, as per the following schedule:

Wednesday, 25th March, 2020

Meetings of		**Time**
Secured Creditors of Nirja Publishers & Printers Pvt Ltd (the Transferor Company No. 2)		2.00 P.M.
Secured Creditors of DS Digital Pvt Ltd (the Demerged Company No. 1)		3.00 P.M.
Secured Creditors of S Chand and Company Ltd (the Transferee Company No. 1)		4.00 P.M.
Venue	**A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110 044**	

Thursday, 26th March, 2020

Meetings of		**Time**
Shareholders of S Chand and Company Ltd (the Transferee Company No. 1)		10.30 A.M.
Un-secured Creditors of Nirja Publishers & Printers Pvt Ltd (the Transferor Company No. 2)		2.00 P.M.
Un-secured Creditors of DS Digital Pvt Ltd (the Demerged Company No. 1)		3.00 P.M.
Un-secured Creditors of S Chand and Company Ltd (the Transferee Company No. 1)		4.00 P.M.
Venue	**The Executive Club Resort, 439, Kharak Road, Shahoorpur Extension, Sat Bari, Chhatarpur, New Delhi-110 074**	

4. In addition to the above-mentioned meeting of the Shareholders of the Transferee Company No. 1, in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations); Securities and Exchange Board of India (SEBI) Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, as amended from time to time, and other applicable provisions, if any, the present Scheme of Arrangement is also required to be approved by Public Shareholders (i.e., Equity Shareholders other than those forming part of Promoters and Promoters' Group) of the Listed Transferee Company No. 1 through e-voting. Accordingly, e-voting facility is being provided to the shareholders of Transferee Company No. 1. The Transferee Company No. 1 is also providing Postal Ballot facility to its public shareholders. The notice of Postal Ballot is annexed with this Notice, to consider and, if thought fit, approve, with or without modifications, the proposed Scheme of Arrangement.

   In terms of the aforesaid SEBI Circulars, the Scheme will be acted upon only if the votes cast by Public Shareholders of the Listed Transferee Company No. 1 in favour of the proposed Scheme are more than the number of votes cast by Public Shareholders against the Scheme, if any.

5. Companies to the Scheme and their Background

5.1 The Applicant No. 1/the Transferor Company No. 1-Blackie & Son (Calcutta) Pvt Ltd

a. The Transferor Company No. 1-Blackie & Son (Calcutta) Pvt Ltd [Corporate Identification No. (CIN): U 74899 DL 1979 PTC 014517; Income Tax Permanent Account No. (PAN): AAA CB 1030 E] (hereinafter referred to as "the Transferor Company No. 1/the Company") was incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation dated 9th October, 1979, issued by the Registrar of Companies, West Bengal, Kolkata. Subsequently, Registered Office of the Company was shifted from the State of West Bengal to the NCT of Delhi. The Registrar of Companies, Delhi and Haryana, New Delhi, allotted a new CIN to the Company.

b. Presently, the Registered Office of the Applicant Transferor Company No. 1 is situated at 7361, Ravindra Mansion, Ram Nagar, Qutab Road, New Delhi–110 055; e-mail: jsingh.del@schandgoup.com

c. The detailed objects of the Transferor Company No. 1 are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To acquire from the parent Company Blackie and Son (India) Ltd. London selling agency, copy rights and other privileges for importing and publishing books and other reading materials published, sold or printed by them in London or elsewhere.*
2. *To carry on the business of proprietors and publishers of books and literary works.*
3. *To carry on all any of the business of stationers, lithographers, offset printers, type founders, stereotypes, electrotypers, photographic printers, photo-lithographers, engravers die-sinkers, book-binders, designers,*

draftsmen, paper and ink manufacturers, name plates manufactures, block makers, rubber stamps manufactures, cello types, photographer, calendars, pictures and advertising novelties manufactures, transfer and labels manufactures, playing card manufactures, cloth labels manufactures, envelop manufactures, account books manufactures, machine rules, numerical printers, paper bag and account books makers, box makers, card board manufactures, ticket manufactures, designers, and manufacturers of stamps of all kinds, advertising agents, dealers in the materials used in the manufacture of ink and paper.

d. Presently, the Transferor Company No. 1 is engaged in the business of publishers and proprietors of books and other literary works and other related activities.

e. That the present Authorised Share Capital of the Transferor Company No. 1 is ₹5,00,000 divided into 500 Equity Shares of ₹1,000 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,49,000 divided into 149 Equity Shares of ₹1,000 each.

f. Detail of the present Board of Directors of the Transferor Company No. 1 is given below:

Sl. No.	Name, Address and DIN	Designation
1.	**Ms Neerja Jhunjhnuwala** B-414, New Friends Colony, New Delhi-110 025 DIN: 00054038	Non-Executive, Non-Independent Director
2.	**Ms Ankita Gupta** Panchvati House, Opp. Surya Hotel, New Friends Colony, Okhla New Delhi–110 065 DIN: 00054090	Non-Executive, Non-Independent Director
3.	**Mr Saurabh Mittal** Flat No. A-2/406, 4th Floor, Tower-5, Purvanchal Royal Park, Plot No. Gh-04, Sector-137, Noida-201 301 DIN: 01402533	Non-Executive, Non-Independent Director

5.2 The Applicant No. 2/Transferor Company No. 2-Nirja Publishers & Printers Pvt Ltd

a. The Transferor Company No. 2-Nirja Publishers & Printers Pvt Ltd [Corporate Identification No. (CIN): U 74899 DL 1971 PTC 005776; Income Tax Permanent Account No. (PAN): AAA CN 4282 E] (hereinafter referred to as "the Transferor Company No. 2/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Nirja Construction & Development Company Pvt Ltd' vide Certificate of Incorporation dated 31st August, 1971, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. Name of the Company was changed to 'Nirja Publishers & Printers Pvt Ltd' vide Fresh Certificate of Incorporation dated 1st April, 2009, issued by the Registrar of Companies, New Delhi.

b. Presently, the Registered Office of the Applicant Transferor Company No. 2 is situated at 7361, Ravindra Mansion, Ram Nagar, Qutab Road, New Delhi–110 055; e-mail: jsingh.del@schandgroup.com

c. The detailed objects of the Transferor Company No. 2 are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To carry on all or any of the business of printers, publishers, stationers, lithographers, type founders, stereotypes, photographic printers, photo lithographers, Chromo- lithographers, engravers, die sinkers, book sellers, advertising agents, engineers, contractors and dealers in or manufacturers of or unfurnished or other things of a character or kind similar or analogous to the foregoing or any of them or connected directly with them.*
2. *To carry on the business of proprietors and publishers of books and other literary works.*
3. *To work as artist, illustrators, designers, painters, advertising and publicity agents, merchants, commission and other agents.*

d. Presently, the Transferor Company No. 2 is engaged in printing and publishing of the books and other related activities.

e. That the present Authorised Share Capital of the Transferor Company No. 2 is ₹10,00,000 divided into 1,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,20,000 divided into 12,000 Equity Shares of ₹10 each.

f. Detail of the present Board of Directors of the Transferor Company No. 2 is given below:

Sl. No.	Name, Address and DIN	Designation
1.	**Ms Neerja Jhunjhnuwala** B-414, New Friends Colony, New Delhi-110 025 DIN: 00054038	Non-Executive, Non-Independent Director
2.	**Ms Savita Gupta** 89, Old Ishwar Nagar, Kalka Ji, East of Kailash, Phase-1, New Delhi–110 065 DIN: 00053988	Non-Executive, Non-Independent Director
3.	**Mr Himanshu Gupta** 89, Old Ishwar Nagar, Opp. Surya Hotel, New Friends Colony, Kalkaji, New Delhi–110 025 DIN: 00054015	Non-Executive, Non-Independent Director
4.	**Mr Dinesh Kumar Jhunjhnuwala** B-414, New Friends Colony, Okhla, New Delhi-110 025 DIN: 00282988	Non-Executive, Non-Independent Director

5.3 The Applicant No. 3/Demerged Company No. 1/Transferor Company No. 3-DS Digital Pvt Ltd

a. The Demerged Company No. 1/Transferor Company No. 3-DS Digital Pvt Ltd [Corporate Identification No. (CIN): U 72200 DL 2008 PTC 173250; Income Tax Permanent Account No. (PAN): AAB CH 9683 A] (hereinafter referred to as "the Demerged Company No. 1/the Transferor Company No. 3/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'HMSC Learning Pvt Ltd' vide Certificate of Incorporation dated 28th January, 2008, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. Name of the Company was changed to 'S Chand Harcourt (India) Pvt Ltd' vide Fresh Certificate of Incorporation dated 9th December, 2009, issued by the Registrar of Companies, New Delhi. Subsequently, name of the Company was changed to its present name-'DS Digital Pvt Ltd' vide Fresh Certificate of Incorporation dated 30th April, 2014, issued by the Registrar of Companies, New Delhi.

b. Presently, the Registered Office of the Applicant Demerged Company No. 1 is situated at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110 044; e-mail: jsingh.del@schandgroup.com; Web-site: www.dsdigital.in,

c. The detailed objects of the Demerged Company No. 1 are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To provide consultancy and running computer bureau, technical manpower, services, education services, education and Hi-end Software providing training services, establishing learning centers, training services, establishing learning centers, training institutes, CD, educational marketing, appointing franchise of all kinds of software and other computer related activities in India and abroad.*

2. *To carry on business of consultants, system integrators, network integrators, system developers, software developers, research on management, Manpower exports in the field of hardware and software, skills and other allied activities.*

3. *To act as Importer, exporter, re-seller, co-venturer, distributor, dealer, agent, developer, designer, educationist and/or to render consultancy, solutions and act as implements and/or to enter into any contract and/or carry on research and assist in the research by individuals, research consultants, computer service bureau and advisors, market surveyors, project engineers, quality controller and efficiency experts, export and marketing service and/or management consultancy and to do all activities in the fields of Hardware and Software development, Components, Internet Services, Portals, World Wide Web, E-commerce, Multimedia, Networking Communications, Transportation and Transmission, Delivery Systems, Implementation, Application service provider, either singly or in collaboration with any other Body, co-institution either in India and abroad.*

4. *To carry on the business of formulating developing, improving designing, marketing, selling, franchising, exporting and licensing, software and programme products of any and all description.*

d. Presently, the Demerged Company No. 1 is engaged in providing educational services, consultancy, training service, establishing learning centre and other related activities. The Company is also running play schools.

e. That the present Authorised Share Capital of the Demerged Company No. 1 is ₹60,00,00,000 divided into 3,70,00,000 Equity Shares of ₹10 each aggregating ₹37,00,00,000; and 2,30,00,000 Preference Shares of ₹10 each aggregating ₹23,00,00,000. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹56,89,93,200 divided into 3,47,28,920 Equity Shares of ₹10 each aggregating ₹34,72,89,200; 61,70,400 (1% Non-cumulative) Optionally Convertible Preference Shares ('Series-I') of ₹10 each aggregating ₹6,17,04,000; and 1,60,00,000 (1% Non-cumulative) Optionally Convertible Preference Shares ('Series-II') of ₹10 each aggregating ₹16,00,00,000.

f. Detail of the present Board of Directors of the Demerged Company No. 1 is given below:

Sl. No.	Name, Address and DIN	Designation
1.	**Mr Himanshu Gupta** 89, Old Ishwar Nagar, Opp. Surya Hotel, New Friends Colony, New Delhi– 110025 DIN: 00054015	Non-Executive, Non-Independent Director
2.	**Mr Dinesh Kumar Jhunjhnuwala** B-414, New friends Colony, Okhla, New Delhi–110 025 DIN: 00282988	Non-Executive, Non-Independent Director
3.	**Mr Sharad Talwar** C-56, Sarita Vihar, New Delhi–110 076 DIN: 02728042	Non-Executive, Independent Director
4.	**Mr Rajagopalan Chandrashekar** E-404, Park View City - 1, Sector - 48, Sohna Road, South City - II, Gurgaon-122 018 DIN: 03634002	Non-Executive, Independent Director

5.4 The Applicant No. 4/Demerged Company No. 2/ Transferee Company No. 2-Safari Digital Education Initiatives Pvt Ltd

a. The Demerged Company No. 2/Transferee Company No. 2-Safari Digital Education Initiatives Pvt Ltd [Corporate Identification No. (CIN): U 80904 DL 2010 PTC 204512; Income Tax Permanent Account No. (PAN): AAO CS 5765 R] (hereinafter referred to as "the Demerged Company No. 2/the Transferee Company No. 2/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'S Chand Digital Pvt Ltd' vide Certificate of Incorporation dated 23rd June, 2010, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. Name of the Company was changed to 'Safari Digital Education Initiatives Pvt Ltd' vide Fresh Certificate of Incorporation dated 14th December, 2013, issued by the Registrar of Companies, New Delhi.

b. Presently, the Registered Office of the Applicant Demerged Company No. 2 is situated at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110 044; e-mail: jsingh.del@schandgroup.com

c. The detailed objects of the Demerged Company No. 2 are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To provide consultancy and running computer bureau, technical manpower, services, education services, education fir hi-end software providing training services, establishing learning centers, training institutes, CD, educational marketing, appointing, franchise of all kinds of software and other computer related activities in India and abroad.*

2. *To carry on business consultants, systems integrators. Network Integrators, system developers, software developers, research on management, Manpower exports in the field of hardware and Software, skills and other allied activities.*

3. *To act as importer, exporter, re-seller, co-venture, distributor, dealer, agent, developer, designer, educationist and/or to render consultancy, solutions and act as implements and/or to enter into any contract and/or carry on research and assist in the research by Individuals, research consultants, computer service bureau and advisors, market surveyors, projects engineers, quality controller and efficiency experts, export and marketing service and/or management consultancy and to do all activities in the fields of hardware and Software development, Components, Internet Services, portals, World Wide Web, E-Commerce, Multi Media, Networking Communications, Transportation and Transmission, Delivery Systems, Implementation, Application Service Provider, either singly or in collaboration with any other body, Co-Institution either in India or abroad import, export and generally deal in all kind of beer, liquor, spirits, wines, alcohol, cigars, cigarettes, aerated mineral and artificial water and other drinks.*

4. *To carry on the business of formulating developing, improving designing, marketing, selling, franchising, exporting and licensing, software and program products of any and all description.*

d. Presently, the Demerged Company No. 2 is engaged in providing education services, IT enabled services and training relating to education and other related activities. The Company is also co-promoting various start-up ventures and earning rental income.

e. That the present Authorised Share Capital of the Demerged Company No. 2 is ₹45,00,00,000 divided into 4,50,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹44,36,92,680 divided into 4,43,69,268 Equity Shares of ₹10 each.

f. Detail of the present Board of Directors of the Demerged Company No. 2 is given below:

Sl. No.	Name, Address and DIN	Designation
1.	**Mr Saurabh Mittal** Flat No. A-2/406, 4th Floor, Tower-5, Purvanchal Royal Park, Plot No. Gh-04, Sector-137, Noida 201301 DIN: 01402533	Non-Executive, Non-Independent Director
2.	**Mr Sharad Talwar** C-56, Sarita Vihar, New Delhi–110 076 DIN: 02728042	Non-Executive, Independent Director
3.	**Mr Rajagopalan Chandrashekar** E-404, Park View City-1, Sector-48, Sohna Road, South City-II, Gurgaon–122 018 DIN: 03634002	Non-Executive, Independent Director

5.5 The Applicant No. 5/Transferee Company No. 1/Resulting Company-S Chand and Company Ltd

a. The Transferee Company No. 1/Resulting Company-S Chand and Company Ltd [Corporate Identification No. (CIN): L 22219 DL 1970 PLC 005400; Income Tax Permanent Account No. (PAN): AAA CS 1149 M] (hereinafter referred to as "the Transferee Company No. 1/the Resulting Company/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'S Chand and Co. Pvt Ltd' vide Certificate of Incorporation dated 9th September, 1970, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company became a deemed public company and necessary endorsement to this effect was made by the Registrar of Companies, New Delhi on the Certificate of Incorporation on 6th May, 1976. The Company became a private company and its name was changed to 'S Chand and Company Pvt Ltd' vide Fresh Certificate of Incorporation dated 21st May, 1986, issued by the Registrar of Companies, New Delhi. The Company became a deemed public company and necessary endorsement to this effect was made by the Registrar of Companies, New Delhi on the Certificate of Incorporation on 3rd October, 1988. The Company was converted into a public limited company and its name was changed to 'S Chand and Company Ltd' vide Fresh Certificate of Incorporation dated 7th November, 2001, issued by the Registrar of Companies, New Delhi. The Company was converted into a private limited company and its name was changed to 'S Chand and Company Pvt Ltd' vide Fresh Certificate of Incorporation dated 8th August, 2012, issued by the Registrar of Companies, New Delhi. Finally, the Company was converted into a public limited company and name of the Company was changed to its present name-'S Chand and Company Ltd' vide Fresh Certificate of Incorporation dated 8th September, 2016, issued by the Registrar of Companies, New Delhi.

b. Presently, the Registered Office of the Applicant Transferee Company No. 1 is situated at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110 044; e-mail: jsingh.del@schandgroup.com; Web-site: www.schandgroup.com

c. The detailed objects of the Transferee Company No. 1 are set out in the Memorandum of Association and are briefly stated as below:s

Main Objects:

1. *To purchase, acquire, takeover, the entire running business of M/s S. Chand & Co., publishers and Booksellers along with its branches and together with its rights, liabilities ,properties, debtors, cash in hand, goodwill, tenancies, loans, assets, stock in trade, advances, etc, for consideration either by way of allotment of shares in the company or in cash, or partly in one way and partly in the other; to make necessary amendments, modifications, requirements necessary and expedient for carrying on the pending agreements, tenancies, orders, etc, and to take steps to defend the rights of the business in pending laws suits, plaints, by or against the business acquired, purchased or taken over.*

2. *To carry on business of proprietors and publishers of books and other literary works.*

3. *To carry on all or any of the business of printers, publishers, stationers tin ,metal, cloth, rubber, parchment, celluloid, glass, bottles, tubes printers, type founders, stereotypes, electrotypers, photographic printers, photo lithographers, chromo- lithographers, engravers, die- sinkers, book- binders, designers, draftsmen, name plates printers, toys printers, tin box printers, tin and metal sheet folders, block makers, rubber stamps manufacturers, Vandyke, collotype, photographer workers and printers, calendars, pictures and advertising novelties printers, transfer and labels manufacturers, account book manufacturers, machine rules, numerical printers, paper bag and account book makers, box makers, card board printers, ticket manufacturers, book- sellers, publishers.*

4. *To subscribe for, purchase, or otherwise acquire, hold, dispose of and deal in shares, stocks, securities, and evidences of indebtedness or of the right to participate in profit or assets or other similar documents and any option or right in respect thereof, and to buy and sell foreign exchange and generally to invest and deal with the monies of the company not immediately required in or upon such securities and in such manner as may from time to time be determined.*

5. *To erect upon the said land to be acquired as aforesaid and upon any other land and property which may hereafter be purchased or leased or acquired by the company such halls, buildings, houses and erections as may be required for carrying on the said business or businesses and to purchase and put into working orders such machinery and other accessories as may from time to time be required on the said business or businesses or any of them and to lease, hire, manage, or otherwise deal with all kinds of immovable property whether belonging to the Company or not.*

6. *To acquire the running business of hotels, motels and restaurants and/or to purchase land and erect hotel, motel and restaurant buildings with all the modern amenities and facilities including diesel filling pumps, camping grounds for tourists, garages for motorists, amusement halls, swimming pools and all other conveniences to the general public, tourists, delegates and study groups and missions visiting the country.*

7. *To carry on the business of leasing and hire-purchase financing and to provide on lease or on hire-purchase all types of industrial and office plants, equipment, machinery, vehicles and buildings.*

d. Presently, the Transferee Company No. 1 is engaged in publishing of educational books and other related activities.

e. That the present Authorised Share Capital of the the Transferee Company No. 1 is ₹20,00,00,000 divided into 4,00,00,000 Equity Shares of ₹5 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹17,48,76,435 divided into 3,49,75,287 Equity Shares of ₹5 each.

f. Detail of the present Board of Directors of the Transferee Company No. 1 is given below:

Sl. No.	Name, Address and DIN	Designation
1.	**Mr Desh Raj Dogra** Flat No. 402 Somerest, Hiranandani Gardens, Powai, Mumbai-400 076 DIN: 00226775	Chairman, Non-Executive, Independent Director
2	**Mr Himanshu Gupta** 89, Old Ishwar Nagar, Opp. Surya Hotel, New Friends Colony, New Delhi-110 025 DIN: 00054015	Managing Director
3	**Mr Dinesh Kumar Jhunjhnuwala** B-414, New Friends Colony, Okhla, New Delhi–110 025 DIN: 00282988	Whole-time Director
4	**Ms Archana Capoor** S-268, Second Floor, Panchsheel Park, Malviya Nagar, New Delhi–110 017 DIN: 01204170	Non-Executive, Independent Director
5	**Mr Sanjay Vijay Bhandarkar** 33, Moonreach Apartment, 11th floor, Prabha Nagar, Tata Press Lane, Prabhadevi, Mumbai-400 025 DIN: 01260274	Non-Executive, Independent Director
6	**Mr Rajagopalan Chandrashekar** E-404, Park View City-1, Sector-48, Sohna Road, South City-II, Gurgaon–122 018 DIN: 03634002	Non-Executive, Independent Director
7	**Ms Savita Gupta** 89, Old Ishwar Nagar, Kalaka Ji, East of Kailash, Phase-1, New Delhi–110 065 DIN: 00053988	Non-Executive, Non-Independent Director
8	**Mr Gaurav Kumar Jhunjhnuwala** B-414, New Friends Colony, New Delhi–110 025 DIN: 03518763	Non-Executive, Non-Independent Director

6. The Transferor Companies No. 1 & 2 and the Demerged Company No. 2 are Wholly Owned Subsidiaries of the Transferee Company No. 1. The Demerged Company No. 1 is a Subsidiary of the Transferee Company No. 1 to the extent of over 99.99%. Whereas the Transferee Company No. 1 is a public limited company listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). All the Companies are under common management and control. The Composite Scheme of Arrangement will not result in change in management of any of these Companies.

7. Detail of the Promoters: The Transferor Companies No. 1 & 2 and the Demerged Company No. 2 are Wholly Owned Subsidiaries of the Transferee Company No. 1. The Demerged Company No. 1 is a Subsidiary of the Transferee Company No. 1 to the extent of over 99.99%. Whereas the Transferee Company No. 1 is a public limited company listed with BSE and NSE.

Detail of the Core Promoter(s) of the Transferee Company No. 1 is given below:

Sl. No.	Name, Address	DIN
1	**Mr Himanshu Gupta** 89, Old Ishwar Nagar, Opp. Surya Hotel, New Friends Colony, New Delhi–110 025	00054015
2	**Ms Neerja Jhunjhnuwala** B-414, New Friends Colony, Okhla, New Delhi-110 025	00054038
3	**Mr Dinesh Kumar Jhunjhnuwala** B-414, New Friends Colony, Okhla, New Delhi-110 025	00282988

8. The proposed Amalgamation and De-merger and other connected matters, will be affected by the arrangement embodied in the Composite Scheme of Arrangement framed under sections 230, 232 and 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any.

9. Rationale and Benefits of the Scheme

That the circumstances which justify and/or necessitate the proposed Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Pvt Ltd, Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd, Safari Digital Education Initiatives Pvt Ltd and S Chand and Company Ltd are, inter alia, as follows: 9

9.1 Amalgamation of Transferor Company-I and Transferor Company-II and demerger of Demerged Undertakings belonging to Demerged Companies with and into the Transferee Company – I would:

a. result in consolidation of similar business activities of printing, publication and reproduction of books and rendering of digital education services into a single entity, i.e., Transferee Company-I/ Resulting Company thereby enabling Transferee Company-I/ Resulting Company to harness and optimize synergies, reducing overheads, better services to existing clientele, operational efficiencies including efficiency in fund raising, productivity gains, harmonization of sales and services channels, general and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise, and logistical advantages thereby significantly contributing to economies of scale and future growth, strengthening financial and competitive position of the Transferee Company-I; and

b. enable greater/enhanced focus of the management of the Transferee Company-I/ Resulting Company in its core business thereby facilitating the management of the Transferee Company-I to exploit the anticipated business opportunities more efficiently.

9.2 Amalgamation of Transferor Company-III with and into Transferee Company-II would:

a. result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Transferee Company-II thereby to harness and optimize synergies, reducing overheads, better services to existing clientele, operational efficiencies including efficiency in fund raising, productivity gains, harmonization of sales and services channels, general and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise, and logistical advantages thereby significantly contributing to economies of scale and future growth, strengthening financial and competitive position of the Transferee Company-II;

b. enable greater/enhanced focus of the management of the Transferee Company-II in the Remaining Businesses and thereby facilitating the management of the Transferee Company-II to exploit the anticipated business opportunities more efficiently.

9.3 The proposed Scheme is in line with the current global industry practice to achieve size, scalability, integration, greater financial strength and flexibility thereby maximizing shareholder value and to achieve higher long-terms financial returns.

9.4 The rationale for continuing with separate entities in the same business no longer exists. It is considered prudent and more appropriate to consolidate similar businesses in one entity. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business, thus enabling focus on core competencies.

9.5 Accordingly, consolidation of businesses of the said companies would be in the best interests of the Companies as well as their respective shareholders and other stakeholders.

10. Salient features of the Scheme of Arrangement

i. On Amalgamation-1, all assets and liabilities including Income Tax and all other statutory liabilities, if any, of Blackie & Son (Calcutta) Pvt Ltd and Nirja Publishers & Printers Pvt Ltd (the Transferor Companies No. 1 & 2, respectively) will be transferred to and vest in S Chand and Company Ltd (the Transferee Company No. 1).

ii. On De-merger, all assets and liabilities including Income Tax and all other statutory liabilities, if any, of Education Business (Demerged Business) of DS Digital Pvt Ltd and Safari Digital Education Initiatives Pvt Ltd (the Demerged Companies No. 1 & 2, respectively) will be transferred to and vest in S Chand and Company Ltd (the Transferee Company No. 1).

iii. On Amalgamation-2, all assets and liabilities including Income Tax and all other statutory liabilities, if any, of DS Digital Pvt Ltd (the Demerged Company No. 1) [relating to the residual business remained in the Company after the de-merger of its Education Business] will be transferred to and vest in Safari Digital Education Initiatives Pvt Ltd (the Demerged Company No. 2).

iv. On Amalgamation-1, all the employees of the Transferor Companies No. 1 & 2 in service on the Effective Date, if any, shall become the employees of the Transferee Company No. 1 on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Companies No. 1 & 2 on the said date.

v. On De-merger, all the employees of the Demerged Companies No. 1 & 2 employed in the activities relating to the Demerged Business, in service on the Effective Date, if any, shall become the employees of the Transferee Company No. 1 on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those applicable to them in the Demerged Business of the Demerged Companies No. 1 & 2, on the Said Date.

vi. Similarly, on Amalgamation-2, all the employees of the Demerged Company No. 1 in service on the Effective Date, if any, relating to the residual business shall become the employees of the Demerged Company No. 2 on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Demerged Company No. 1 on the said date.

vii. Appointed Date for the Scheme will be 1st April, 2017, or such other date, as the Hon'ble National Company Law Tribunal may approve.

viii. Share Exchange Ratio for the Scheme will be as below:

  a. The Transferee Company No. 1-S Chand and Company Ltd will issue 1 (one) Equity Share of ₹5 each, credited as fully paid-up, for every 117 (one hundred seventeen) Equity Shares of ₹10 each held in the Demerged Company No. 1/ Transferor Company No. 3-DS Digital Pvt Ltd, on De-merger of Education Business of DS Digital Pvt Ltd into S Chand and Company Ltd.

  b. The Demerged Company No. 2/Transferee Company No. 2- Safari Digital Education Initiatives Pvt Ltd will issue 2 (two) Equity Shares of ₹10 each, credited as fully paid-up, for every 17 (seventeen) Equity Shares of ₹10 each held in the Demerged Company No. 1/Transferor Company No. 3-DS Digital Pvt Ltd, on Amalgamation of DS Digital Pvt Ltd with Safari Digital Education Initiatives Pvt Ltd with residual business.

  c. The Demerged Company No. 2/Transferee Company No. 2- Safari Digital Education Initiatives Pvt Ltd will issue 2 (two) Preference Shares of ₹10 each, credited as fully paid-up, for every 17 (seventeen) (1% Non-cumulative) Optionally Convertible Preference Shares ('Series-II') of ₹10 each held in the Demerged Company No. 1/Transferor Company No. 3-DS Digital Pvt Ltd, on Amalgamation of DS Digital Pvt Ltd with Safari Digital Education Initiatives Pvt Ltd with residual business.

  Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to nearest whole number.

ix. Since the Transferor Companies No. 1 & 2 are Wholly Owned Subsidiaries of the Transferee Company No. 1, there will not any issue of shares on amalgamation of the Transferor Companies No. 1 & 2 with the Transferee Company No. 1 (Amalgamation-1).

x. BSE Ltd will act as the Designated Stock Exchange for the purposes of the Scheme.

11. Extracts of the Scheme: Extracts of the selected clauses of the Scheme are given below *(points/clauses referred to in this part are of the Composite Scheme of Arrangement)*:

DEFINITIONS

In the Scheme, unless repugnant to meaning or context thereof, following expressions shall have meanings as given below:

2.1. "Act" *means the Companies Act, 2013 and applicable rules made there under and includes any amendments, statutory re-enactments and modifications thereof for the time being in force;*

2.2. "Amalgamation" *means amalgamation of Transferor Company-I and Transferor Company-II with and into Transferee Company-I and amalgamation of Transferor Company-III with and into Transferee Company-II in terms of the Scheme in its present form or with any modification(s) as approved by the Tribunal (defined hereinafter);*

2.3. "Applicable Law(s)" *means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority (defined hereinafter), having the force of law and as applicable to Companies;*

2.4. "Appointed Date" *for purposes of this Scheme means April 1, 2017;*

2.5. "Board" *or* ***"Board of Directors"*** *means board of directors of respective Companies, as the case may be and shall, unless it is repugnant to the context, include committees of directors or any person authorized by board of directors;*

2.6. ***"Demerged Company-I" or "Transferor Company-III"*** *shall have a meaning as ascribed to it in Recital E of this Scheme;*

2.7. ***"Demerged Company-II" or "Transferee Company-II"*** *shall have a meaning as ascribed to it in Recital F of this Scheme;*

2.8. ***"Demerged Undertakings"*** *means the business undertakings of the Demerged Companies representing their Education Businesses, which would be transferred on a going concern basis to the Resulting Company on and from the Appointed Date. Without prejudice to the generality of the above, the Demerged Undertakings shall mean and include:*

a) all immovable property(ies), if any, of the Demerged Undertakings including tangible assets, land together with building, plant and equipment/ machinery and structures standing thereon (whether freehold, leasehold, leave and licensed, tenancies and otherwise) and all documents of title, receipts and easements in relation thereto, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;

b) all movable assets pertaining to the Demerged Undertakings, whether in present, future or contingent, tangible or intangible, in possession or reversion, including but not limited to digital content , computer softwares, peripherals, hardware, educational kits, plant and equipment, vehicles, employees imprest, bank balances, cash and cash equivalents, loans and advances, whether long-term or short-term, secured or unsecured, recoverable in cash or kind or value to be received including interest accrued thereon, if any, all deposits whether with government or semi government, local authorities or any other institution and bodies, including but not limited to amounts receivables from Central Government/ State Government(s) under any of their scheme(s)/plan(s), service export scrips, balances recoverable from Governmental and Registration Authorities, if any, trade receivables, advance tax(es) paid, deferred tax asset, if any, electrical fittings, office equipments, inventories including but not limited to computer hardware, furniture and fixtures, other current assets, security deposits, trade receivable, if any, benefits arising of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertakings;

c) All agreements, rights, contracts, entitlements, permits, licenses, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, if any, nature and description whatsoever relating to the Demerged Companies businesses, activities and operations pertaining to Demerged Undertaking;

d) all debts (whether secured or unsecured) including but not limited to long-term and short-term borrowings, trade payables, trade creditors, long-term and short-term provisions, deferred tax liabilities, current liabilities (including contingent liabilities), cash credit, duties and obligations of the Demerged Companies of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations, if any, pertaining to Demerged Undertakings and shall also include all other liabilities of whatsoever nature, amounts of which are categorized as general or multi-purpose borrowings of the Demerged Companies to be transferred to the Resulting Company in the same proportion which the value of the assets transferred bear to the total value of the assets of the Demerged Companies immediately before the demerger;

e) all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies pertaining to the Demerged Undertakings in terms of provisions of Section 72A (4) of the IT Act (as defined hereinafter) and shall also comprise of all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies which do not directly pertain to the Demerged Undertakings, to be apportioned between the Demerged Companies and the Resulting Company in terms of the provisions of Section 72A(4) (b) of the IT Act (as defined hereinafter).

f) all Intellectual Property Rights (whether registered or unregistered), records, files, papers, data and documents, if any, relating to the Demerged Companies business, activities and operations pertaining to Demerged Undertakings;

g) all legal proceedings of whatsoever nature by or against the Demerged Companies, if any, pending as on the Appointed Date and relating to the Demerged Undertakings; and

h) all employees engaged in or relating to the Demerged Companies business, activities and operations pertaining to Demerged Undertakings.

The broad details of the asset and liabilities comprising of the Demerged Undertaking- I and Demerged Undertaking-II of Demerged Company-I and Demerged Company-II, respectively and figures appearing corresponding to the assets and liabilities as appearing in the respective financial statements of Demerged Company-I and Demerged Company-II as at March 31, 2017, are described in Schedule-I and Schedule-II annexed hereto.

2.9. ***"Demerger"*** *means the transfer of the Demerged Undertakings of the Demerged Companies, as a going-concern, by way of demerger to the Resulting Company in terms of this Scheme in its present form or with any modification(s) as approved by the Tribunal (as defined herein after);*

2.10. ***"Effective Date"*** *shall be last of the dates on which certified copies of the order of the Tribunal, under section 232 of the Act, sanctioning this Scheme, is filed by Companies with Registrar of Companies (defined hereinafter).*

Provided that references in this Scheme to the date of "upon coming into effect of the Scheme" or "upon the scheme becoming effective" or "effectiveness of the Scheme" shall mean Effective Date;

2.11. ***"Encumbrance"*** *means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the* *granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (ii) any proxy, power of attorney, voting trust agreement , interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (iii) any adverse claim as to title, possession or use;*

2.12.“FEMA” *means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;*

2.13.“Governmental and Registration Authority” *means any relevant Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, quasi-judicial body, bureau or instrumentality thereof or arbitral body having jurisdiction over the Companies including but not limited to Stock Exchanges (defined hereinafter) and any court, tribunal, board, quasi-judicial body constituted under securities laws;*

2.14.“Intellectual Property Rights” *means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of Transferor Company-I, Transferor Company-II and Demerged Companies, or in the nature of common law rights of Transferor Company-I, Transferor Company-II and Demerged Companies, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws;*

2.15.“IT Act” *means the Income Tax Act, 1961 and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;*

2.16.“Listing Regulations” *means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other SEBI Regulations as applicable to the Scheme;*

2.17. ***“Record Date”*** *means the following dates:*

a) For the purposes of Part III of this Scheme*:*

such date following Effective Date as may be fixed by Board of Directors of Resulting Company in respect of allotment/ issuance of shares to the shareholders of Demerged Company-I; and

b) For the purposes of Part IV of this Scheme*:*

such date following Effective Date as may be fixed by Board of Transferee Company-II in respect of allotment/issuance of shares to the shareholders of Transferor Company-III;

2.18.“Remaining Business-I” *or* ***“Remaining Undertaking-I”*** *means all the undertakings, businesses, activities and operations of the Demerged Company-I other than the Demerged Undertaking;*

2.19.“Remaining Business-II” *or* ***“Remaining Undertaking-II”*** *means all the undertakings, businesses, activities and operations of the Demerged Company-II other than its Demerged Undertaking;*

2.20.“Remaining Businesses” *means Remaining Business-I of Demerged Company-I and Remaining Business-II of Demerged Company-II referred collectively;*

2.21.“ROC” or “Registrar of Companies” *means the Registrar of Companies for the National Capital Territory of Delhi and Haryana;*

2.22.“Scheme” *or* ***“this Scheme”*** *or* ***“the Scheme”*** *means this composite scheme of arrangement in its present form as submitted to the Tribunal or this Scheme with such modification(s), if any, as may be made by members and/or creditors of respective Companies or such modifications(s) as may be imposed by any competent authority and accepted by Board of Directors of respective Companies and/or directed to be made by the Tribunal while sanctioning the Scheme;*

2.23.“SEBI” *means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;*

2.24.“SEBI Circulars” *means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017 each issued by SEBI, as amended or replaced from time to time;*

2.25.“Stock Exchanges” *means BSE and NSE referred collectively;*

2.26.“Transferor Company-I” *shall have a meaning as ascribed to it in Recital B of this Scheme;*

2.27.“Transferor Company-II” *shall have a meaning as ascribed to it in Recital C of this Scheme; and*

2.28.“Transferee Company-I” or “Resulting Company” *shall have a meaning as ascribed to it in Recital D of this Scheme; and*

2.29.“Tribunal” *means the National Company Law Tribunal, New Delhi or such other court, tribunal, forum or authority having jurisdiction over Companies involved in the Scheme, depending on the context and applicability.*

PART II

Amalgamation of Blackie & Son (Calcutta) Pvt Ltd and Nirja Publishers & Printers Pvt Ltd with S Chand and Company Ltd

4. TRANSFER AND VESTING

4.1. Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business and whole of the undertaking(s), all property(*ies*), being movable or immovable, tangible or intangible, belonging to Transferor Company-I and Transferor Company-II including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, service export scrips, prepaid expenses (*current and non-current*), fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds (*current and non-current*), capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act,2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any body corporate (*whether in India and elsewhere*), mutual funds etc., other assets such as computer software and hardware, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Transferor Company-I and Transferor Company-II (hereinafter referred to as "**Said Assets-1**") and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-1 shall, unless otherwise agreed between Transferor Company-I, Transferor Company-II and Transferee Company-I specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company-I in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-1 of Transferee Company- I.

It is expressly clarified that, in so far leasehold, leave and licensed properties belonging to Transferor Company-I and Transferor Company-II are concerned, if any, and subject to terms and conditions of the respective lease agreements, leave and licensed agreements that have already been entered into between Transferor Company-I and Transferor Company-II with any other third party before Effective Date, Transferee Company-I may enter into fresh lease agreements and leave and licensed agreements, novate the existing lease agreements and leave and licensed agreements or terminate any lease agreements and leave and licensed agreements that are already in existence with any third party or enter into any kind of agreement with the lessor or licensor for transfer of leasehold, leave and licensed properties.

4.2. Without prejudice to Clause 4.1 of this Scheme, in respect of Said Assets-1 of Transferor Company-I and Transferor Company-II as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company-I upon coming into effect of this Scheme and shall upon such transfer become Said Assets-1 of Transferee Company-I with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-1 referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company-I pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

4.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date all publication rights, statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued to Transferor Company-I and Transferor Company-II under Applicable Laws including without limitation, Water (Prevention and Control of Pollution) Act, 1974, Environment (Protection) Act 1986, Air (Prevention and Control of Pollution) Act, 1981, Hazardous Waste (Management Handling and Transboundary Movement) Rules, 2016, Factories Act, 1948, Certificate of Importer- Exporter Code, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company-I and Transferor Company-II for the Employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as "**Said Rights and Interests-1**"*), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company-I and Transferor Company-II, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Transferee Company- I so as to become on and from Appointed Date, Said Rights and Interests-1, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Transferee Company- I. Without prejudice to the above, Transferee Company-I shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Transferor Company-I and Transferor Company-II to carry out or perform all such formalities or compliances as may be required.

4.4. Upon coming into effect of this Scheme:

a) All vehicles (*whether freehold or of any nature whatsoever*) belonging to Transferor Company-I and Transferor Company-II, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Transferee Company- I without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company- I, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company- I as if the vehicles had originally been registered in the name of Transferee Company- I; and

a) All Intellectual Property Rights, if any, being used by Transferor Company-I and Transferor Company-II shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company- I without any further act, instrument or deed. Transferee Company- I, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

4.5. Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds/ ESI, trade payables due to dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, short term provisions, expenses payable, taxes and obligations of Transferor Company-I and Transferor Company-II, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "**Said Liabilities-1**"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company- I pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-1 of Transferee Company-I and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-1 may have arisen and are to be transferred to Transferee Company- I.

b) All loans raised and used and Said Liabilities-1 incurred, if any, by Transferor Company-I and Transferor Company-II after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Transferee Company- I without any further act or deed.

c) The borrowing limits of Transferee Company- I shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-1 pertaining to Transferor Company-I and Transferor Company-II which are being transferred to Transferee Company- I pursuant to this Scheme and Transferee Company- I shall not be required to pass any separate resolutions in this regard. Corporate guarantees issued by the Transferee Company-I in favor of banks for the Transferor Company-I and/or Transferor Company-II shall stand cancelled and be of no effect upon coming into effect of the Scheme.

d) It is clarified that insofar Said Assets-1 of Transferor Company-I and Transferor Company-II are concerned with the security or charge, encumbrance, lien over Said Assets-1 or any part thereof, if any, relating to Said Liabilities-1 or any other obligations of Transferor Company-I and Transferor Company-II, shall, without any further act, instrument or deed continue to relate to such Said Assets-1 after Effective Date in Transferee Company- I and shall not extend to any other assets of Transferee Company- I. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Transferee Company- I, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Company-I and Transferor Company-II are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company- I.

e) Transferee Company- I, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Transferee Company- I shall assume sole responsibility for repayment of borrowings.

4.6. With effect from Effective Date and until such time names of the bank accounts of Transferor Company-I and Transferor Company-II are replaced with that of Transferee Company- I, Transferee Company- I shall be entitled to operate the existing bank accounts of Transferor Company-I and Transferor Company-II, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Transferor Company-I and Transferor Company-II on and from Effective Date.

4.7. All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Company-I and Transferor Company-II or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to Transferor Company-I and Transferor Company-II on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company- I, as the case may be.

4.8. Upon the coming into effect of this Scheme and as per the provisions of Section 72A(1) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation of the Transferor Company-I and Transferor Company-II shall be transferred to the Transferee Company-I. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company-I.

4.9. Part II of this Scheme complies with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

12. CONSIDERATION

12.1. Upon coming into effect of this Scheme, shares of the Transferor Company-I and Transferor Company-II held by Transferee Company-I shall, without any further application, act, instrument or deed, be automatically cancelled and be of no effect on and from Effective Date. Further, since Transferee Company- I is the only shareholder of the Transferor Company- I and Transferor Company-II, therefore no shares will be allotted by the Transferee Company – I to itself.

PART III

De-merger of Education Business of DS Digital Pvt Ltd and Safari Digital Education Initiatives Pvt Ltd into S Chand and Company Ltd

15. TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS

15.1 Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire businesses, all property(*ies*), being movable or immovable, tangible or intangible (*whether under development or otherwise*), pertaining to Demerged Undertakings of Demerged Companies including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, educational kits , employees imprest, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, inter-branch balances, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, service export scrips, prepaid expenses *(current and non-current)*, fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds *(current and non-current)*, capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act,2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of anybody corporate (whether in India and elsewhere), mutual funds etc. belonging to Demerged Undertaking of Demerged Company-I and excluding all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of anybody corporate (whether in India and elsewhere), mutual funds etc. held by Demerged Company-II, other assets such as computer software and hardware, peripherals, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Demerged Companies and are pertaining to the Demerged Undertakings (hereinafter referred to as "**Said Assets-2**") and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-2 shall, unless otherwise agreed amongst Demerged Companies and Resulting Company specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Resulting Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-2 of Resulting Company.

It is expressly clarified that, in so far leasehold, leave and licensed properties pertaining to Demerged Undertakings of Demerged Companies are concerned, if any, and subject to terms and conditions of the respective lease agreements and leave and license agreements that have already been entered into between Demerged Companies with any other third party before Effective Date, Resulting Company may enter into fresh lease agreements and/or leave and license agreements, novate the existing lease agreements and/or leave and license agreements or terminate any lease agreements and/or leave and license agreements that are already in existence with any third party or enter into any kind of agreement with the lessor and/or licensor for transfer of leasehold and/or leave and licensed properties.

15.2 Without prejudice to Clause 15.1 of this Scheme, in respect of Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Resulting Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets-2 of Resulting Company with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Resulting Company pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

15.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date all license rights from third parties, publication rights, statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued pertaining to Demerged Undertakings of Demerged Companies under Applicable Laws including without limitation Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/

or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Companies for the employees of their respective Demerged Undertakings, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as "**Said Rights and Interests-2**"*), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Demerged Companies, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Resulting Company so as to become on and from Appointed Date, Said Rights and Interests-2, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Resulting Company. Without prejudice to the above, Resulting Company shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Demerged Companies to carry out or perform all such formalities or compliances as may be required.

15.4 Upon coming into effect of this Scheme:

(i) All vehicles (*whether freehold or encumbered*), of any nature whatsoever, belonging to Demerged Undertakings of Demerged Companies, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Resulting Company without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Resulting Company, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Resulting Company as if the vehicles had originally been registered in the name of Resulting Company; and

(ii) All Intellectual Property Rights pertaining to the Demerged Undertakings, if any, being used by Demerged Companies shall stand transferred to and vested in and be deemed to be transferred to and vested in the name of Resulting Company without any further act, instrument or deed. Resulting Company, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Demerger, if required, who shall take them on record pursuant to the order of Tribunal.

15.5 Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables, trade creditors dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, sales invoice discounting, short term provisions including but not limited to gratuity, leave encashment and bonus, expenses payable, taxes and obligations of Demerged Companies relating to the Demerged Undertakings, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "**Said Liabilities-2**"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Resulting Company pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-2 of Resulting Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-2 may have arisen and are to be transferred to Resulting Company.

b) If there are any general or multipurpose borrowings in the books of account of the Demerged Companies, so much of the amount of the general or multipurpose borrowings, as standing in the same proportion in which the value of the assets transferred pursuant to the Scheme bears to the total value of the assets of respective Demerged Companies immediately before the Demerger, shall also stand transferred to the Resulting Company pursuant to the Scheme.

c) All loans raised and used and Said Liabilities-2 incurred in respect of the Demerged Undertakings, if any, by the respective Demerged Companies after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Resulting Company without any further act or deed.

d) The borrowing limits of Resulting Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-2 pertaining to Demerged Undertakings of Demerged Companies which are being transferred to Resulting Company pursuant to this Scheme and Resulting Company shall not be required to pass any separate resolutions in this regard. Corporate guarantees issued by the Resulting Company in favor of banks for the Demerged Undertakings shall stand cancelled and be of no effect upon the effectiveness of this Scheme.

e) It is clarified that insofar Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies are concerned with the security or charge, encumbrance, lien over Said Assets-2 or any part thereof, if any, relating to Said Liabilities-2 or any other obligations of Demerged Companies, shall, without any further act, instrument or deed continue to relate to such Said Assets-2 after Effective Date in Resulting Company and shall not extend to any other assets of Resulting Company. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Resulting Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Demerged Companies and Resulting Company are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Resulting Company.

f) Resulting Company, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Resulting Company shall assume sole responsibility for repayment of borrowings.

15.6 It is expressly clarified that in case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Demerged Undertakings of the respective Demerged Companies, or whether it arises out of the activities or operations of the Demerged Undertakings, the same shall be decided by mutual agreement between Board of Directors of the Demerged Companies and the Resulting Company.

15.7 With effect from Effective Date and until such time names of the bank accounts of Demerged Companies which are pertaining to their respective Demerged Undertakings are replaced with that of Resulting Company, Resulting Company shall be entitled to operate the existing bank accounts of Demerged Companies, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Demerged Companies on and from Effective Date.

15.8 All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Demerged Undertakings of the Demerged Companies or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to the Demerged Undertakings of the Demerged Companies on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Resulting Company, as the case may be.

15.9 Upon the coming into effect of this Scheme and as per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies as pertaining to the Demerged Undertakings shall be transferred to the Resulting Company. Further, all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies which do not directly pertain to the Demerged Undertakings shall also be transferred to the Resulting Company in terms of the provisions of Section 72A(4)(b) of the IT Act. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Resulting Company.

15.10 Part III of this this Scheme complies with the conditions relating to “Demerger” as specified under Section 2(19AA) of the IT Act. If any term or provision of this Scheme is found or interpreted to be inconsistent with the said provision at a later date including resulting from any amendment of Applicable Laws or for any other reason, whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Law shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(19AA) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall, however, not affect other parts of this Scheme.

23. CONSIDERATION

23.1 Since as a consequence of giving effect to Part- II of this Scheme, the Demerged Company II shall become a direct wholly-owned subsidiary of the Resulting Company and also substantial equity shares and all preference shares of Demerged Company-I are held by Resulting Company and Demerged Company-II, therefore, the Resulting Company shall not issue any shares neither to itself nor to Demerged Company-II.

23.2 Upon coming into effect of the Scheme, without any further application, act, instrument or deed and upon the transfer and vesting of the Demerged Undertaking of the Demerged Company-I to the Resulting Company and subject to the provision of Clause 23.1 of this Scheme, the Board of the Demerged Company-I and Resulting Company after considering the valuation report dated November 14, 2017 issued by M/s B Chhawchharia & Co., Chartered Accountants having Firm Regn. No.305123E, have decided that the Resulting Company shall issue its equity shares to the equity shareholders of the Demerged Company-I (other than the Resulting Company and the Demerged Company II), whose name appear in the Register of Members of the Demerged Company-I, as consideration for the transfer and vesting of the Demerged Undertaking in the Resulting Company in the following manner:

- *“1 equity share of Rs. 5/- each fully paid-up of the Resulting Company for 117 equity shares of Rs. 10/- each of the Demerged Company – I.”*

23.3 In respect of any fractional shares, if any to be issued to equity shareholders of the Demerged Company-I, the same shall be rounded off to the nearest whole integer.

PART IV

Amalgamation of DS Digital Pvt Ltd [with the residual business remained in the Company after the de-merger of its Education Business] with Safari Digital Education Initiatives Pvt Ltd

27. TRANSFER AND VESTING

27.1 Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business of the Remaining Undertaking-I, all property(*ies*), being movable or immovable, tangible or intangible, belonging to Transferor Company-III including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses *(current and non-current)*, fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds *(current and non-current)*, capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act, 2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any body corporate (whether in India and elsewhere), mutual funds etc., other assets such as computer software and hardware, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Transferor Company-III (*hereinafter referred to as"**Said Assets-3**"*) and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-3 shall, unless otherwise agreed between Transferor Company-III and Transferee Company-II specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company-II in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-3 of Transferee Company-II.

It is expressly clarified that, in so far leasehold, leave and licensed properties belonging to Transferor Company-III are concerned, if any, and subject to terms and conditions of the respective lease agreements and leave and license agreements that have already been entered into between Transferor Company-III and any other third party before Effective Date, Transferee Company-II may enter into fresh lease agreements and/or leave and license agreements, novate the existing lease agreements or terminate any lease agreements and leave and license agreements that are already in existence with any third party or enter into any kind of agreement with the lessor for transfer of leasehold and/or leave and licensed properties.

27.2 Without prejudice to Clause 27.1 of this Scheme, in respect of Said Assets-3 of Transferor Company-III as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company-II upon coming into effect of this Scheme and shall upon such transfer become Said Assets-3 of Transferee Company-II with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-3 referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company-II pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

27.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued to Transferor Company-III as pertaining to Remaining Undertaking-I under Applicable Laws including without limitation certificate of importer- exporter code, Water (Prevention and Control of Pollution) Act, 1974, Environment (Protection) Act 1986, Air (Prevention and Control of Pollution) Act, 1981, Hazardous Waste (Management Handling and Transboundary Movement) Rules 2016, Factories Act, 1948, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company-III for the employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as* ***"Said Rights and Interests-3"***), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company-III, shall pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Transferee Company-II so as to become on and from Appointed Date, Said Rights and Interests-3, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Transferee Company-II. Without prejudice to the above, Transferee Company-II shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Transferor Company-III to carry out or perform all such formalities or compliances as may be required.

27.4 Upon coming into effect of this Scheme:

a) All vehicles (*whether freehold or encumbered*), of any nature whatsoever, belonging to Transferor Company-III which are pertaining to Remaining Undertaking-I, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Transferee Company-II without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company-II, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company-II as if the vehicles had originally been registered in the name of Transferee Company-II; and

b) The Intellectual Property Rights pertaining to Remaining Undertaking-I, if any, being used by Transferor Company-III shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company-II without any further act, instrument or deed. Transferee Company-II, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

27.5 Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables, dues of micro and small enterprises, staff and other creditors, employee benefit payables, long term or short term provisions, advance from customers, short term provisions, expenses payable, taxes and obligations of Transferor Company-III pertaining to Remaining Undertaking-I, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as* ***"Said Liabilities-3"***) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company-II pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-3 of Transferee Company-II and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-3 may have arisen and are to be transferred to Transferee Company-II.

b) The loans raised and used and Said Liabilities-3 incurred, if any, by Transferor Company-III as pertaining to Remaining Undertaking-I after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Transferee Company-II without any further act or deed.

c) The borrowing limits of Transferee Company-II shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-3 pertaining to Remaining Undertaking-I of Transferor Company-III which are being transferred to Transferee Company-II pursuant to this Scheme and Transferee Company-II shall not be required to pass any separate resolutions in this regard.

d) It is clarified that insofar Said Assets-3 of Transferor Company-III are concerned with the security or charge, encumbrance, lien over Said Assets-3 or any part thereof, if any, relating to Said Liabilities-3 or any other obligations of Transferor Company-III, shall, without any further act, instrument or deed continue to relate to such Said Assets-3 after Effective Date in Transferee Company-II and shall not extend to any other assets of Transferee Company-II. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Transferee Company-II, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Company-III is a party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company-II;

e) Transferee Company-II, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that

Transferee Company-II shall assume sole responsibility for repayment of borrowings.

27.6 With effect from Effective Date and until such time names of the bank accounts of Transferor Company-III are replaced with that of Transferee Company-II, Transferee Company-II shall be entitled to operate the existing bank accounts of Transferor Company-III, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Transferor Company-III on and from Effective Date.

27.7 All existing profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Company-III or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to Transferor Company-III on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company-II, as the case may be.

27.8 Upon the coming into effect of this Scheme and as per the provisions of Section 72A(1) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation pertaining to the Remaining Undertaking-I of the Transferor Company-III shall be transferred to the Transferee Company-II. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company-II.

27.9 Part IV of this Scheme complies with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

35. CONSIDERATION

35.1 Upon coming into effect of this Scheme, equity and preference shares of the Transferor Company-III held by Transferee Company-II shall, without any further act, instrument or deed, be automatically stand cancelled and be of no effect on and from Effective Date.

35.2 Upon coming into effect of the Scheme, without any further application, act, instrument or deed and upon the transfer and vesting of the Transferor Company-III with and into Transferee Company-II and subject to the provision of clause 35.1 of this Scheme, the Board of the Transferor Company-III and Transferee Company-II after considering the valuation report dated November 14, 2017 issued by M/s B. Chhawchharia & Co., Chartered Accountants having Firm Regn. No. 305123E, have decided that the Transferee Company-II shall issue its shares to the shareholders of the Transferor Company-III, whose name appear in the Register of Members of the Transferor Company-III, as consideration for the Amalgamation in the following manner:

"(a) 2 (Two) equity shares of Rs. 10/- each fully paid-up of the Transferee Company-II for 17 (Seventeen) equity shares of Rs.10/- each of the Transferor Company-III; and

(b) 2 (Two) preference shares of Rs 10/- each fully paid-up of the Transferee Company-II for 17 (Seventeen) preference shares of Rs.10/- each of the Transferor Company-III."

35.3 In respect of any fractional shares, if any to be issued to equity shareholders and preference shareholders of the Transferor Company-III, the same shall be rounded off to the nearest whole integer.

The aforesaid are the salient features/selected extracts of the Composite Scheme of Arrangement. Please read the entire text of the Composite Scheme of Arrangement to get acquainted with the complete provisions of the Scheme.

35.4 The proposed Composite Scheme of Arrangement is for the benefit of all the Companies, their Shareholders and other stakeholders. It is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.

35.5 Valuation exercise has been carried out to determine the share swap ratio for the proposed Scheme of Arrangement. Independent Valuer- M/s B. Chhawchharia & Co., Chartered Accountants, New Delhi has prepared the Report on Valuation of Shares and Share Exchange Ratio. The Board of Directors of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 based on the Report on Valuation of Shares & Share Exchange Ratio of M/s B. Chhawchharia & Co., Chartered Accountants, New Delhi and on the basis of their independent evaluation and judgment, came to the conclusion that the proposed exchange ratio is fair and reasonable to the Shareholders of all the Companies.

A complete set of the Report on Valuation of Shares & Share Exchange Ratio issued by M/s B. Chhawchharia & Co., Chartered Accountants, giving basis of valuation, valuation methodology and calculations, etc., is enclosed herewith.

35.6 In terms of the provisions of the SEBI Regulations, Fairness Opinion was obtained from Real Growth Securities Pvt Ltd, a SEBI Registered Category 1 Merchant Banker, on the Report on Valuation of Shares and Share Exchange Ratio of M/s B. Chhawchharia & Co., Chartered Accountants. Opinion expressed by the aforesaid Merchant Banker is reproduced below:

"Based on the information available to us and to the best of our knowledge and brief, the Share Exchange Ratio as suggested by the Valuer under the proposed scheme are fair in our opinion."

A complete set of the Fairness Opinion issued by Real Growth Securities Pvt Ltd is enclosed herewith.

35.7 The Audit Committee of the Transferee Company No. 1 in its meeting held on 17th November, 2017, reviewed the Share Valuation Report and proposed Share Exchange Ratio, Fairness Opinion, Rationale of the Scheme and recommended the proposed Scheme of Arrangement to the Board of Directors.

The proposed Scheme of Arrangement has been unanimously approved by the respective Board of Directors of the Transferor Companies No. 1 & 2 in their respective meetings held on 15th November, 2017 and 9th April, 2018; the Board of Directors of the Demerged Companies No. 1 & 2 in their respective meetings held on 14th November, 2017 and 6th April, 2018; and the Board of Directors of the Transferee Company No. 1 in the meetings held on 17th November, 2017 and 6th April, 2018. None of the Directors voted against or abstained from voting on the resolution for approving the Composite Scheme of Arrangement in the aforesaid meetings.

Further, the notice of the aforesaid meetings scheduled to be convened and held under the supervisions of the Hon'ble National Company Law Tribunal, the Explanatory Statement and other papers of the meetings have also been approved unanimously, by the respective Board of Directors of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 in their respective meetings held on 13th February, 2020. None of the Directors voted against or abstained from voting on the resolution for approving the notice and other papers of the meetings.

35.8 In terms of the provisions of the SEBI Regulations, the Transferee Company No. 1 has filed the requisite application(s) along with the draft Scheme of Arrangement and other documents with BSE Limited and National Stock Exchange of India Limited to obtain their No Objection to the proposed Scheme of Arrangement.

35.9 As required by the SEBI Regulations, the Transferee Company No. 1 has filed Complaint Reports dated December 27, 2018 and August 23, 2018, (indicating Nil Complaints) with BSE and NSE respectively. After filing of Complaint Reports, the Company has not received any compliant from any investors. Copies of the Complaint Reports filed with BSE and NSE is enclosed herewith.

35.10 The Company has received no-objection/observation to the Scheme of Arrangement from BSE Limited (the Designated Stock Exchange for the purpose of the present Scheme) vide its observation letter dated 2nd December, 2019, and National Stock Exchange of India Limited vide its observation letter dated 3rd December, 2019. A copy each of the Observation Letters received from BSE and NSE are enclosed herewith.

a. Relevant extracts from the Observation Letter issued by BSE is reproduced below:

"In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the Scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017."

b. Relevant extracts from the Observation Letter issued by NSE is reproduced below:

"Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT."

20. The present Scheme of Arrangement, if approved in the aforesaid meetings, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal. No specific approval is required to be obtained from any other government authority to the present Scheme of Arrangement.

21. No proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, are pending against the Transferor Companies No. 1 & 2, or Demerged Companies No. 1 & 2 or the Transferee Company No. 1.

22. Effect of the Scheme on the Promoters, Directors, KMP, etc.:

22.1 Promoters and Directors of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 are deemed to be interested in the proposed Scheme of Arrangement to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. The proposed Scheme of Arrangement does not have any effect on their interest different from that of the interest of other shareholders, creditors and employees of these Companies. Similarly, Key Managerial Personnel (KMP) of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 may also be deemed to be interested in the proposed Scheme to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies.

22.2 The proposed Scheme of Arrangement would not have any effect on the material interest of the Promoters, Directors and Key Managerial Personnel of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 different from that of the interest of other shareholders, creditors and employees of these Companies.

22.3 The proposed Scheme of Arrangement does not envisage any corporate debt restructuring. There is no proposal to restructure or vary the debt obligation of the Transferor Companies No. 1 & 2, or Demerged Companies No. 1 & 2 or the

Transferee Company No. 1 towards their respective creditors. The proposed Scheme of Arrangement will not adversely affect the rights of any of the creditors of the Transferor Companies No. 1 & 2, or Demerged Companies No. 1 & 2 or the Transferee Company No. 1 in any manner whatsoever.

22.4 The proposed Scheme of Arrangement will not have any adverse effect on the secured creditors, un-secured creditors, employees and other stakeholders, if any, of the Transferor Companies No. 1 & 2, or Demerged Companies No. 1 & 2 or the Transferee Company No. 1.

23. As mentioned above, the Transferor Companies No. 1 & 2 and the Demerged Company No. 2 are Wholly Owned Subsidiaries of the Transferee Company No. 1. Hence, entire Share Capital of the Transferor Companies No. 1 & 2 and the Demerged Company No. 2 is held by the Transferee Company and its nominee shareholders.

The Demerged Company No. 1 is a Subsidiary of the Transferee Company No. 1 to the extent of over 99.99%. Whereas the Transferee Company is public listed company.

24. Shareholding of the Directors and Key Managerial Personnel

A. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 1, in the Transferor Company No. 1, the Transferor Company No. 2; the Demerged Companies No. 1 & 2 and in the Transferee Company No. 1, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	No of Shares held as on 07.02.2020				
		Transferor Company No. 1	Transferor Company No. 2	Demerged Company No. 1	Demerged Company No. 2	Transferee Company No. 1
1.	Ms Neerja Jhunjhnuwala Non-Executive, Non-Independent Director	Nil	Nil	Nil	Nil	4,008,345
2.	Ms Ankita Gupta Non-Executive, Non-Independent Director	Nil	Nil	Nil	Nil	914,078
3.	Mr Saurabh Mittal Non-Executive, Non-Independent Director	Nil	Nil	Nil	Nil	96,490

B. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferor Company No. 2, in the Transferor Company No. 2, the Transferor Company No. 1; the Demerged Companies No. 1 & 2 and in the Transferee Company No. 1, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	No of Shares held as on 07.02.2020				
		Transferor Company No. 2	Transferor Company No. 1	Demerged Company No. 1	Demerged Company No. 2	Transferee Company No. 1
1.	Ms Neerja Jhunjhnuwala	NIL	NIL	NIL	NIL	4,008,345
2.	Ms Savita Gupta	NIL	NIL	NIL	NIL	1,218,626
3.	Mr Himanshu Gupta	NIL	*1	NIL	NIL	5,946,238
4.	Mr Dinesh Kumar Jhunjhnuwala	*600	NIL	NIL	*100	3,846,854

* As nominee of S Chand and Company Ltd

C. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Demerged Company No. 1, in the Demerged Companies No. 1; the Transferor Companies No. 1 & 2; the Demerged Company No. 2; and in the Transferee Company No. 1, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	No of Shares held as on 07.02.2020				
		Demerged Company No. 1	Transferor Company No. 1	Transferor Company No. 2	Demerged Company No. 2	Transferee Company No. 1
1.	Mr Himanshu Gupta	NIL	*1	NIL	NIL	5,946,238
2.	Mr Dinesh Kumar Jhunjhnuwala	NIL	NIL	*600	*100	3,846,854
3.	Mr Sharad Talwar	NIL	NIL	NIL	NIL	NIL
4.	Mr Rajagopalan Chandrashekar	NIL	NIL	NIL	NIL	NIL
5.	Mr. Arvind Srivastava (CFO)	NIL	NIL	NIL	NIL	652
6.	Mr. Manish Goyal (C.S.)	NIL	NIL	NIL	NIL	1

* As nominee of S Chand and Company Ltd

D. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Demerged Company No. 2, in the Demerged Companies No. 2; the Transferor Companies No. 1 & 2; the Demerged Company No. 1; and in the Transferee Company No. 1, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	No of Shares held as on 07.02.2020				
		Demerged Company No. 2	Transferor Company No. 1	Transferor Company No. 2	Demerged Company No. 1	Transferee Company No. 1
1.	Mr Saurabh Mittal	NIL	NIL	NIL	NIL	96,490
2.	Mr Sharad Talwar	NIL	NIL	NIL	NIL	NIL
3.	Mr Rajagopalan Chandrashekar	NIL	NIL	NIL	NIL	NIL
4.	Mr. Vinay Sharma (CEO)	NIL	NIL	NIL	NIL	15,000
5.	Mr. Dinesh Sharma (CFO)	NIL	NIL	NIL	NIL	NIL
6.	Ms. Sheeba Dhamija (C.S.)	NIL	NIL	NIL	NIL	NIL

E. Detail of present Shareholding of the Directors and Key Managerial Personnel of the Transferee Company No. 1, in the Transferee Company No. 1; the Transferor Companies No. 1 & 2; and in the Demerged Companies No. 1 & 2, either singly or jointly or as nominee, is as under:

Sl. No.	Name of Directors & KMP and their Designation	No of Shares held as on 07.02.2020				
		Transferee Company No. 1	Transferor Company No. 1	Transferor Company No. 2	Demerged Company No. 1	Demerged Company No. 2
1.	Mr Desh Raj Dogra	NIL	NIL	NIL	NIL	NIL
2.	Mr Himanshu Gupta	5,946,238	*1	NIL	NIL	NIL
3.	Mr Dinesh Kumar Jhunjhnuwala	3,846,854	NIL	*600	NIL	*100
4.	Ms Archana Capoor	NIL	NIL	NIL	NIL	NIL
5.	Mr Sanjay Vijay Bhandarkar	18,000	NIL	NIL	NIL	NIL
6.	Mr Rajagopalan Chandrashekar	NIL	NIL	NIL	NIL	NIL
7.	Ms Savita Gupta	1,218,626	NIL	NIL	NIL	NIL
8.	Mr Gaurav Kumar Jhunjhnuwala	592,000	NIL	NIL	NIL	NIL
9.	Mr. Saurabh Mittal	96,490	NIL	NIL	NIL	NIL
10.	Mr. Jagdeep Singh	100	NIL	NIL	NIL	NIL

25. Pre-Scheme Share Capital Structure

A. Pre-Scheme Share Capital Structure of the Transferor Company No. 1 is given below:

Particulars	No. of Shares (of ₹1,000 each)	Amount (₹)
Present Issued, Subscribed and Paid-up Equity Share Capital	149	1,49,000

B. Pre-Scheme Share Capital Structure of the Transferor Company No. 2 is given below:

Particulars	No. of Shares (of ₹10 each)	Amount (₹)
Present Issued, Subscribed and Paid-up Equity Share Capital	12,000	1,20,000

C. Pre-Scheme Share Capital Structure of the Demerged Company No. 1 is given below:

Particulars	No. of Shares (of ₹10 each)	Amount (₹)
Present Issued, Subscribed and Paid-up Equity Share Capital	3,47,28,920	34,72,89,200
Present Issued, Subscribed and Paid-up 1% Non-cumulative) Optionally Convertible Preference Share ('Series-I') Capital	61,70,400	6,17,04,000
Present Issued, Subscribed and Paid-up 1% Non-cumulative) Optionally Convertible Preference Share ('Series-II') Capital	1,60,00,000	16,00,00,000

D. Pre-Scheme Share Capital Structure of the Demerged Company No. 2 is given below:

Particulars	No. of Shares (of ₹10 each)	Amount (₹)
Present Issued, Subscribed and Paid-up Equity Share Capital	4,43,69,268	44,36,92,680

E. Pre-Scheme Capital Structure of the Transferee Company No. 1 is given below:

Particulars	No. of Shares (of ₹5 each)	Amount (₹)
Present Issued, Subscribed and Paid-up Equity Share Capital	3,49,75,287	17,48,76,435

26. Post-Scheme Share Capital Structure

A. In terms of the provisions of the Scheme, the Transferor Companies No. 1 & 2 will be merged with the Transferee Company No. 1. Whereas the Demerged Company No. 1 will be merged with the Demerged Company No. 2. On the Scheme become effective, the Transferor Companies No. 1 & 2 and the Demerged Company No. 1 will be dissolved without the process of winding up.

B. Post-Scheme Share Capital Structure of the Demerged Company No. 2 is given below:

Particulars	No. of Shares (of ₹10 each)	Amount (₹)
Post-Scheme Issued, Subscribed and Paid-up Equity Share Capital	**46,450,651**	**464,506,510**
Post-Scheme Issued, Subscribed and Paid-up 1% Non-cumulative) Optionally Convertible Preference Share ('Series-II') Capital	18,82,353	18,82,3530

C. Post-Scheme Capital Structure of the Transferee Company No. 1 is given below:

Particulars	No. of Shares (of ₹5 each)	Amount (₹)
Present Issued, Subscribed and Paid-up Equity Share Capital	3,49,75,330	17,48,76,650

27. Pre and Post Scheme Shareholding Pattern

A. Pre and PostScheme Equity Shareholding Pattern of the Transferor Company No. 1 is given below:

Sl. No.	Category	Pre-Scheme		Post-Scheme	
		No. of fully paid up Equity Shares of ₹ 1000 each	% of total equity share capital	No. of fully paid up Equity Shares of ₹ 1000 each %	% of total equity share capital
A	**Promoters & Promoters' Group**				
	Holding Company-S Chand And Company Ltd	149	100.00	Nil	Nil
	Total Shareholding of Promoters & Promoters' Group (A)	**149**	**100.00**	**Nil**	**Nil**
B	**Public Shareholding**	**Nil**	Nil	Nil	Nil
	Total Public Shareholding (B)	**Nil**	**Nil**	**Nil**	**Nil**
	Total (A+B)	**149**	**100.00**	**Nil**	**Nil**

B. Pre-Scheme Equity Shareholding Pattern of the Transferor Company No. 2 is given below:

Sl. No.	Category	Pre-Scheme		Post-Scheme	
		No. of fully paid up Equity Shares of ₹ 10 each	% of total equity share capital	No. of fully paid up Equity Shares of ₹ 10 each	% of total equity share capital
A	**Promoters & Promoters' Group**				
	Holding Company-S Chand And Company Ltd	12,000	100.00	Nil	Nil
	Total Shareholding of Promoters & Promoters' Group (A)	**12,000**	**100.00**	**Nil**	**Nil**
B	**Public Shareholding**	**Nil**	Nil	Nil	Nil
	Total Public Shareholding (B)	**Nil**	**Nil**	**Nil**	**Nil**
	Total (A+B)	**12,000**	**100.00**	**Nil**	**Nil**

C. Pre-Scheme Equity Shareholding Pattern of the Demerged Company No. 1 is given below:

Sl. No.	Category	Pre-Scheme		Post-Scheme	
		No. of fully paid up Equity Shares of ₹ 10 each	% of total equity share capital	No. of fully paid up Equity Shares of ₹ 10 each	% of total equity share capital
A	**Promoters & Promoters' Group**				
	(i) S Chand And Company Ltd (ii) Safari Digital Education Initiatives Private Limited	17,686,750 17,037,165	50.93 49.06	NIL NIL	NIL NIL
	Total Shareholding of Promoters & Promoters' Group (A)	**34,723,915**	**99.99**	**NIL**	**NIL**
B	**Public Shareholding**	5,005	0.01	NIL	NIL
	Total Public Shareholding (B)	**5,005**	0.01	NIL	NIL
	Total (A+B)	**34,728,920**	**0.01**	**NIL**	**NIL**

D. Pre-Scheme Preference Shareholding Pattern of the Demerged Company No. 1 is given below:

Sl. No.	Category	Pre-Scheme				Post-Scheme	
		Series I		Series II			
		No. of fully paid up Preference Shares of ₹ 10 each	% of total preference share capital	No. of fully paid up Preference Shares of ₹ 10 each	% of total preference share capital	No. of fully paid up Preference Shares of ₹ 10 each	% of total preference share capital
A	**Promoters & Promoters' Group**						
	(i) S Chand And Company Ltd (ii) Safari Digital Education Initiatives Private Limited	- 6,170,400	- 100	16,000,000 -	100 -	NIL NIL	NIL NIL
	Total Shareholding of Promoters & Promoters' Group (A)	**6,170,400**	**100**	**1,6000,000**	**100**	**NIL**	**NIL**
B	**Public Shareholding**	NIL	NIL	NIL	NIL	NIL	NIL
	Total Public Shareholding (B)	**NIL**	NIL	NIL	NIL	NIL	NIL
	Total (A+B)	**6,170,400**	**100**	**1,6000,000**	**100**	**NIL**	**NIL**

E. Pre -Scheme Equity Shareholding Pattern of the Demerged Company No. 2 is given below:

Sl. No.	Category	Pre-Scheme	
		No. of fully paid up Equity Shares of ₹ 10 each	%
A	**Promoters & Promoters' Group**		
	Holding Company-S Chand AndCompany Ltd & its subsidiary	44,369,268	100.00
	Total Shareholding of Promoters & Promoters' Group (A)	44,369,268	100.00
B	**Public Shareholding**	Nil	Nil
	Total Public Shareholding (B)	**Nil**	**Nil**
	Total (A+B)	44,369,268	100.00

F. Post-Scheme Shareholding Pattern of the Demerged Company No. 2 is given below:

Sl. No.	Category	Post-Scheme		%	
		No. of fully paid up Equity Shares of ₹ 10 each	No. of fully paid up Preference Shares of ₹ 10 each	Equity	Prefernce
A	**Promoters & Promoters' Group**				
	Holding Company-S Chand and Company Ltd & its subsidiary	46,450,062	1,882,353	100.00	100.00
	Total Shareholding of Promoters & Promoters' Group (A)	46,450,062	1,882,353	**100.00**	**100.00**
B	**Public Shareholding**	589	Nil	Negligible	Nil
	Total Public Shareholding (B)	**589**	Nil	Negligible	Nil
	Total (A+B)	**46,450,651**	1,882,353	**100.00**	**100.00**

G. Pre and Post-Scheme Equity Shareholding Pattern of the Transferee Company No. 1 is given below:

Sl. No.	Category	Pre-Scheme		Post-Scheme	
		No. of fully paid up Equity Shares of ₹ 10 each	%	No. of fully paid up Equity Shares of ₹ 10 each	%
A	**Promoters & Promoters' Group**	**16,526,141**	**47.25**	**16,526,141**	**47.25**
	Total Shareholding of Promoters & Promoters' Group (A)	**16,526,141**	**47.25**	**16,526,141**	**47.25**
B	**Public Shareholding**	**18,449,146**	**52.75**	**18,449,189**	**52.75**
	Total Public Shareholding (B)	**18,449,146**	**52.75**	**18,449,189**	**52.75**
	Total (A+B)	**34,975,287**	**100.00**	**34,975,330**	**100.00**

28. A copy of the Scheme of Arrangement is being filed with the concerned Registrar of Companies.

29. Copies of the Audited Financial Statements of Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 for the year ended 31st March, 2019, along with the Auditors' Reports thereon, are enclosed herewith.

30. Copies of the un-audited Financial Statements (provisional) of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 for the period ended 30th September, 2019, are enclosed herewith.

31. Total amount due to Secured Creditors, as on 30th September, 2019, on the basis of the Un-audited Financial Statements (Provisional) for the period ended 30th September, 2019, is given below:

(As on 30.09.2019)

Sl. No.	Name of the Company	Amount ₹
	Blackie & Son (Calcutta) Pvt Ltd	Nil
	Nirja Publishers & Printers Pvt Ltd	57,19,100
	DS Digital Pvt Ltd	9,34,89,685
	Safari Digital Education Initiatives Pvt Ltd	Nil
	S Chand and Company Ltd	94,80,10,337

32. Total amount due to Un-secured Creditors, as on 30th September, 2019, on the basis of the Un-audited Financial Statements (Provisional) for the period ended 30th September, 2019, is given below:

(As on 30.09.2019)

Sl. No.	Name of the Company	Amount ₹
	Blackie & Son (Calcutta) Pvt Ltd	Nil
	Nirja Publishers & Printers Pvt Ltd	91,79,013
	DS Digital Pvt Ltd	34,03,41,843
	Safari Digital Education Initiatives Pvt Ltd	87,50,79,692
	S Chand and Company Ltd	58,19,02,900

33. The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the members and creditors at the registered office of the Respective Companies on any working day of the concerned Company from the date of this notice till the date of meeting between 11.00 A.M. to 4.00 P.M.:

i. The Memorandum and Articles of Association of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1.

ii. The Audited Financial Statements of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 for the last 3 years ended 31st March, 2019, 31st March, 2018 and 31st March, 2017.

iii. The un-audited Financial Statements (provisional) of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 for the period ended 30th September, 2019.

iv. Register of Particulars of Directors and KMP and their Shareholding, of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1.

v. Order dated 10th February, 2020 (date of pronouncement), passed by the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi, in the joint Company Application No. CA (CAA) 12 of 2020 filed by the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1, in pursuance of which the aforesaid meetings are scheduled to be convened.

vi. Paper Books and proceedings of the joint Company Application No. CA (CAA) 12 of 2020, filed before the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi.

vii. A complete set of the Report on Valuation of Shares & Share Exchange Ratio issued by M/s B. Chhawchharia & Co., Chartered Accountants, New Delhi

viii. A complete set of the Fairness Opinion issued by Real Growth Securities Pvt Ltd, a SEBI Registered Category 1 Merchant Banker on the Share Valuation Report.

ix. Complaint Reports filed by the Transferee Company No. 1 with BSE and NSE.

x. Observation Letters dated 2nd December, 2019, and 3rd December, 2019, issued by BSE and NSE, respectively, conveying their No-Objection to the Scheme of Arrangement.

xi. Copy of the Certificate issued by the Statutory Auditors of the Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 to the effect that the accounting treatment proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

xii. Copy of the proposed Scheme of Arrangement.

xiii. Applicable information of Blackie & Son (Calcutta) Pvt Ltd, Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd and Safari Digital Education Initiatives Pvt Ltd in the format specified for Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, along with the Certificate issued by Turnaround Corporate Advisors Pvt Ltd, SEBI Registered Category 1 Merchant Bankers.

34. A copy of the Scheme of Arrangement, Explanatory Statement, Form of Proxy, Attendance Slip and other annexures may be obtained free of charge on any working day (except Saturday) prior to the date of meeting(s), from the registered office of Transferor Companies No. 1 & 2, the Demerged Companies No. 1 & 2 and the Transferee Company No. 1 or from the office of their Legal Counsel- Mr Rajeev K Goel, Advocate, M/s Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket-E, Mayur Vihar-II, Delhi Meerut Expressway/ NH-24, Delhi-110 091, India, Mobile: 093124 09354, e-mail: rajeev391@gmail.com. The aforesaid documents are also placed on the web-sites of DS Digital Pvt Ltd: www.dsdigital.in. and S Chand and Company Ltd: www.schandgroup.com.

35. Please note that concerned Shareholders, Secured Creditors and Un-secured Creditors of Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd and S Chand and Company Ltd, as the case may be, may attend and vote in the respective meetings

either in person or by proxies. Proxies need not be a member/creditor of the concerned Companies. In addition to the above, Shareholders of S Chand and Company Ltd may also vote through electronic means. Instructions for voting through electronic means is being sent along with the notice of meeting of the Shareholders.

36. Additionally, a Resolution is proposed to be passed only by the Public Shareholders of the Transferee Company No. 1-S Chand and Company Ltd through Postal Ballot and e-voting, as specified in the Notice of Postal Ballot which is annexed to the Notice of the Meeting of Shareholders of the Transferee Company No. 1, to consider and, if thought fit, approve, with or without modifications, the proposed Scheme of Arrangement. The present Explanatory Statement may also be treated for the purpose of the said Postal Ballot and e-voting.

Dated this 13th February, 2020

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

Sd/-
Saurabh Mittal
Director
DIN: 01402533

For and on behalf of the Board of Directors
For Nirja Publishers & Printers Pvt Ltd

Sd/-
Himanshu Gupta
Director
DIN: 00054015

For and on behalf of the Board of Directors
For DS Digital Pvt Ltd

Sd/-
Himanshu Gupta
Director
DIN: 00054015

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

Sd/-
Sheeba Dhamija
Company Secretary
PAN: AOQ PD 2275 L

For and on behalf of the Board of Directors
For S Chand and Company Ltd

Sd/-
Jagdeep Singh
Company Secretary
PAN: AWX PS 9433 J

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

BLACKIE & SON (CALCUTTA) PRIVATE LIMITED

AND

NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED

AND

DS DIGITAL PRIVATE LIMITED

AND

SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED

AND

S CHAND AND COMPANY LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

INTRODUCTION

A. This composite scheme of arrangement *("**Scheme**", as more particularly defined in Clause 2.22 of this Scheme*) provides for:

a) amalgamation of **Blackie & Son (Calcutta) Private Limited** (*hereinafter referred to as "**Transferor Company-I**"*) and **Nirja Publishers & Printers Private Limited** (*hereinafter referred to as "**Transferor Company-II**"*) with and into **S Chand And Company Limited** (*hereinafter referred to as **Transferee Company-I**"*);

b) de-merger of Education Businesses (*hereinafter referred to as* "**Demerged Undertakings**") *(defined hereinafter)* of **DS Digital Private Limited** (*hereinafter referred to as the "**Demerged Company-I**"*) and **Safari Digital Education Initiatives Private Limited** (*hereinafter referred to as the "**Demerged Company-II**"*) with and into **S Chand And Company Limited** (*hereinafter also referred to as "**Resulting Company**"*) on a going-concern basis; and

c) amalgamation of **DS Digital Private Limited** (*which for the purposes of Part- I and Part- IV of this Scheme after giving effect to Part-III of the Scheme, shall also mean the "**Transferor Company-III**"*) with and into **Safari Digital Education Initiatives Private Limited** (*hereinafter also referred to as "**Transferee Company-II**"*).

This Scheme is made in terms of provisions of section 230 to 232 and other relevant provisions of the Act *(defined hereinafter)* together read with section 2(1B) and 2(19AA) and other relevant provisions of the IT Act *(defined hereinafter)* as applicable. For the sake of brevity, Demerged Company-I and Demerged Company-II are hereinafter collectively referred as "**Demerged Companies**". Further, Transferor Company-I, Transferor Company-II, Demerged Companies and Transferee Company-I are hereinafter collectively referred to as "**Companies**".

B. Transferor Company-I is a private limited company duly incorporated under provisions of the Companies Act, 1956 (*hereinafter referred to as "**1956 Act**"*) on October 9, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. Transferor Company-I is, *inter alia*, earning its revenue from royalty on books. Transferor Company-I is a wholly owned subsidiary of Transferee Company-I.

C. Transferor Company-II is a private limited company duly incorporated under provisions of the 1956 Act on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar, Qutab Road, New Delhi-110055. Transferor Company-II is engaged in the business of publishing, printing and reproduction of books for S Chand group. Transferor Company-II is a wholly owned subsidiary of Transferee Company- I.

D. Transferee Company-I or Resulting Company is a public limited company duly incorporated under provisions of the 1956 Act on September 9, 1970 bearing corporate identity number L22219DL1970PLC005400 and having its registered office at Ravindra Mansion, Ram Nagar, New Delhi-110055. The equity shares of Transferee Company-I are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Ltd. ("**NSE**"). Transferee Company-I is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books.

E. Demerged Company-I or Transferor Company-III is a private limited company duly incorporated under provisions of the 1956 Act on January 28, 2008 bearing corporate identity number U72200DL2008PTC173250 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. Demerged Company-I is, *inter alia*, engaged in business of providing digital educational services and running pre- schools. The Demerged Company-I is a subsidiary of Transferee Company-I.

F. Demerged Company-II or Transferee Company-II is a private limited company duly incorporated under provisions of the 1956 Act on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. Demerged Company-II or Transferee Company-II is engaged in business of rendering digital and blended education solutions for schools. The Transferor Company-II and Transferee Company-I are holding 40% and 60% of the share capital of the Demerged Company-II, respectively. Therefore, Demerged Company-II is an indirect wholly owned subsidiary of Transferee Company-I.

PARTS OF THIS SCHEME

This Scheme is divided into following parts:

PART I - This Part of the Scheme deals with rationale, definitions and share capital of the Companies;

PART II - This Part of the Scheme deals with transfer and vesting, legal proceedings, employees, consideration, accounting treatment etc. for amalgamation of Transferor Company-I and Transferor Company-II with and into Transferee Company-I;

PART III - This Part of the Scheme deals with transfer and vesting, legal proceedings, employees, consideration, accounting treatment etc. for demerger of Demerged Undertakings of Demerged Company-I and Demerged Company-II with and into the Resulting Company, on a going- concern basis;

PART IV - This Part of the Scheme deals with transfer and vesting, legal proceedings, employees, consideration, accounting treatment etc. for amalgamation of Transferor Company-III with and into Transferee Company-II; and

PART V - This Part of the Scheme deals with other general terms and conditions applicable to this Scheme.

PART I

1 RATIONALE FOR THE SCHEME:

1.1 Amalgamation of Transferor Company-I and Transferor Company-II and demerger of Demerged Undertakings belonging to Demerged Companies with and into the Transferee Company – I would:

a) result in consolidation of similar business activities of printing, publication and reproduction of books and rendering of digital education services into a single entity, i.e., Transferee Company-I/ Resulting Company thereby enabling Transferee Company-I/ Resulting Company to harness and optimize synergies, reducing overheads, better services to existing clientele, operational efficiencies including efficiency in fund raising, productivity gains, harmonization of sales and services channels, general and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise, and logistical advantages thereby significantly contributing to economies of scale and future growth, strengthening financial and competitive position of the Transferee Company-I; and

b) enable greater/enhanced focus of the management of the Transferee Company-I/ Resulting Company in its core business thereby facilitating the management of the Transferee Company-I to exploit the anticipated business opportunities more efficiently.

1.2 Amalgamation of Transferor Company-III with and into Transferee Company-II would:

a) result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Transferee Company-II thereby to harness and optimize synergies, reducing overheads, better services to existing clientele, operational efficiencies including efficiency in fund raising, productivity gains, harmonization of sales and services channels, general and administrative cost reduction and productivity gains by pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise, and logistical advantages thereby significantly contributing to economies of scale and future growth, strengthening financial and competitive position of the Transferee Company-II;

b) enable greater/enhanced focus of the management of the Transferee Company-II in the Remaining Businesses and thereby facilitating the management of the Transferee Company-II to exploit the anticipated business opportunities more efficiently.

1.3 The proposed Scheme is in line with the current global industry practice to achieve size, scalability, integration, greater financial strength and flexibility thereby maximizing shareholder value and to achieve higher long-terms financial returns.

1.4 The rationale for continuing with separate entities in the same business no longer exists. It is considered prudent and more appropriate to consolidate similar businesses in one entity. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business, thus enabling focus on core competencies.

1.5 Accordingly, consolidation of businesses of the said companies would be in the best interests of the Companies as well as their respective shareholders and other stakeholders.

2 (A) DEFINITIONS

In the Scheme, unless repugnant to meaning or context thereof, following expressions shall have meanings as given below:

2.1. **"Act"** means the Companies Act, 2013 and applicable rules made there under and includes any amendments, statutory re-enactments and modifications thereof for the time being in force;

2.2. ***"Amalgamation"*** means amalgamation of Transferor Company-I and Transferor Company-II with and into Transferee Company-I and amalgamation of Transferor Company-III with and into Transferee Company-II in terms of the Scheme in its present form or with any modification(s) as approved by the Tribunal (*defined hereinafter*);

2.3. **"Applicable Law(s)**" means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority (*defined hereinafter*), having the force of law and as applicable to Companies;

2.4. **"Appointed Date"** for purposes of this Scheme means April 1, 2017;

2.5. **"Board"** or **"Board of Directors"** means board of directors of respective Companies, as the case may be and shall, unless it is repugnant to the context, include committees of directors or any person authorized by board of directors;

2.6. **"Demerged Company-I" or "Transferor Company-III"** shall have a meaning as ascribed to it in Recital E of this Scheme;

2.7. **"Demerged Company-II" or "Transferee Company-II"** shall have a meaning as ascribed to it in Recital F of this Scheme;

2.8. **"Demerged Undertakings"** means the business undertakings of the Demerged Companies representing their Education Businesses, which would be transferred on a going concern basis to the Resulting Company on and from the Appointed Date. Without prejudice to the generality of the above, the Demerged Undertakings shall mean and include:

a) all immovable property(ies), if any, of the Demerged Undertakings including tangible assets, land together with building, plant and equipment/ machinery and structures standing thereon (*whether freehold, leasehold, leave and licensed, tenancies and otherwise*) and all documents of title, receipts and easements in relation thereto, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;

b) all movable assets pertaining to the Demerged Undertakings, whether in present, future or contingent, tangible or intangible, in possession or reversion, including but not limited to digital content , computer softwares, peripherals, hardware, educational kits, plant and equipment, vehicles, employees imprest, bank balances, cash and cash equivalents, loans and advances, whether long-term or short-term, secured or unsecured, recoverable in cash or kind or value to be received including interest accrued thereon, if any, all deposits whether with government or semi government, local authorities or any other institution and bodies, including but not limited to amounts receivables from Central Government/ State Government(s) under any of their scheme(s)/plan(s), service export scrips, balances recoverable from Governmental and Registration Authorities, if any, trade receivables, advance tax(es) paid, deferred tax asset, if any, electrical fittings, office equipments, inventories including but not limited to computer hardware, furniture and fixtures, other current assets, security deposits, trade receivable, if any, benefits arising of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertakings;

c) All agreements, rights, contracts, entitlements, permits, licenses, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, if any, nature and description whatsoever relating to the Demerged Companies businesses, activities and operations pertaining to Demerged Undertaking;

d) all debts (whether secured or unsecured) including but not limited to long-term and short-term borrowings, trade payables, trade creditors, long-term and short-term provisions, deferred tax liabilities, current liabilities (including contingent liabilities), cash credit, duties and obligations of the Demerged Companies of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations, if any, pertaining to Demerged Undertakings and shall also include all other liabilities of whatsoever nature, amounts of which are categorized as general or multi-purpose borrowings of the Demerged Companies to be transferred to the Resulting Company in the same proportion which the value of the assets transferred bear to the total value of the assets of the Demerged Companies immediately before the demerger;

e) all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies pertaining to the Demerged Undertakings in terms of provisions of Section 72A (4) of the IT Act *(as defined hereinafter*) and shall also comprise of all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies which do not directly pertain to the Demerged Undertakings, to be apportioned between the Demerged Companies and the Resulting Company in terms of the provisions of Section 72A(4) (b) of the IT Act *(as defined hereinafter*).

f) all Intellectual Property Rights (whether registered or unregistered), records, files, papers, data and documents, if any, relating to the Demerged Companies business, activities and operations pertaining to Demerged Undertakings;

g) all legal proceedings of whatsoever nature by or against the Demerged Companies, if any, pending as on the Appointed Date and relating to the Demerged Undertakings; and

h) all employees engaged in or relating to the Demerged Companies business, activities and operations pertaining to Demerged Undertakings.

The broad details of the asset and liabilities comprising of the Demerged Undertaking- I and Demerged Undertaking-II of Demerged Company-I and Demerged Company-II, respectively and figures appearing corresponding to the assets and liabilities as appearing in the respective financial statements of Demerged Company-I and Demerged Company-II as at March 31, 2017, are described in Schedule-I and Schedule-II annexed hereto.

2.9. **"Demerger"** means the transfer of the Demerged Undertakings of the Demerged Companies, as a going-concern, by way of demerger to the Resulting Company in terms of this Scheme in its present form or with any modification(s) as approved by the Tribunal (*as defined herein after*);

2.10. **"Effective Date"** shall be last of the dates on which certified copies of the order of the Tribunal, under section 232 of the Act, sanctioning this Scheme, is filed by Companies with Registrar of Companies (*defined hereinafter*).

Provided that references in this Scheme to the date of "upon coming into effect of the Scheme" or "upon the scheme becoming effective" or "effectiveness of the Scheme" shall mean Effective Date;

2.11. **"Encumbrance"** means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (ii) any proxy, power of attorney, voting trust agreement , interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (iii) any adverse claim as to title, possession or use;

2.12. **"FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;

2.13. **"Governmental and Registration Authority"** means any relevant Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, quasi-judicial body, bureau or instrumentality thereof or arbitral body having jurisdiction over the Companies including but not limited to Stock Exchanges (*defined hereinafter*) and any court, tribunal, board, quasi-judicial body constituted under securities laws;

2.14. **"Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of Transferor Company-I, Transferor Company-II and Demerged Companies, or in the nature of common law rights of Transferor Company-I, Transferor Company-II and Demerged Companies, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws;

2.15. **"IT Act"** means the Income Tax Act, 1961 and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;

2.16. **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other SEBI Regulations as applicable to the Scheme;

2.17. **"Record Date"** means the following dates:

a) For the purposes of Part III of this Scheme:

such date following Effective Date as may be fixed by Board of Directors of Resulting Company in respect of allotment/ issuance of shares to the shareholders of Demerged Company-I; and

b) For the purposes of Part IV of this Scheme:

such date following Effective Date as may be fixed by Board of Transferee Company-II in respect of allotment/ issuance of shares to the shareholders of Transferor Company-III;

2.18. **"Remaining Business-I"** or **"Remaining Undertaking-I"** means all the undertakings, businesses, activities and operations of the Demerged Company-I other than the Demerged Undertaking;

2.19. **"Remaining Business-II"** or **"Remaining Undertaking-II"** means all the undertakings, businesses, activities and operations of the Demerged Company-II other than its Demerged Undertaking;

2.20. **“Remaining Businesses”** means Remaining Business-I of Demerged Company-I and Remaining Business-II of Demerged Company-II referred collectively;

2.21. **“ROC” or “Registrar of Companies”** means the Registrar of Companies for the National Capital Territory of Delhi and Haryana;

2.22. **“Scheme”** or **“this Scheme”** or **“the Scheme”** means this composite scheme of arrangement in its present form as submitted to the Tribunal or this Scheme with such modification(s), if any, as may be made by members and/or creditors of respective Companies or such modifications(s) as may be imposed by any competent authority and accepted by Board of Directors of respective Companies and/or directed to be made by the Tribunal while sanctioning the Scheme;

2.23. **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

2.24. **“SEBI Circulars”** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017 each issued by SEBI, as amended or replaced from time to time;

2.25. **“Stock Exchanges”** means BSE and NSE referred collectively;

2.26. **“Transferor Company-I”** shall have a meaning as ascribed to it in Recital B of this Scheme;

2.27. **“Transferor Company-II”** shall have a meaning as ascribed to it in Recital C of this Scheme; and

2.28. **“Transferee Company-I” or “Resulting Company”** shall have a meaning as ascribed to it in Recital D of this Scheme; and

2.29. **“Tribunal”** means the National Company Law Tribunal, New Delhi or such other court, tribunal, forum or authority having jurisdiction over Companies involved in the Scheme, depending on the context and applicability.

2. (B) INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and if not defined therein then under the relevant Applicable Laws. In this Scheme, unless the context otherwise requires:

a) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

b) heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;

c) the term “Clause” refers to the specified clause of this Scheme;

d) references to one gender includes all genders;

e) Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

f) words denoting singular shall include the plural and vice versa;

g) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.

h) unless otherwise defined, the reference to the word “days” shall mean calendar days; and

i) references to dates and times shall be construed to be references to Indian dates and times.

3 SHARE CAPITAL

3.1. The authorized, issued, subscribed and paid up share capital of Transferor Company-I as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
500 Equity shares of Rs. 1,000/- each	5,00,000
Total	**5,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
149 Equity shares of Rs. 1,000/- each fully paid up.	1,49,000
Total	**1,49,000**

3.2. The authorized, issued, subscribed and paid up share capital of Transferor Company-II as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
1,00,000 Equity shares of Rs. 10/- each	10,00,000
Total	**10,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
12,000 Equity shares of Rs. 10/- each fully paid up.	1,20,000
Total	**1,20,000**

3.3. The authorized, issued, subscribed and paid up share capital of Demerged Company-I or Transferor Company-III as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
3,70,00,000 Equity shares of Rs. 10/- each	37,00,00,000
2,30,00,000 Preference shares Rs. 10/- each	23,00,00,000
Total	**60,00,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
3,47,28,920 Equity shares of Rs. 10/- each fully paid up.	34,72,89,200
2,21,70,400 Preference shares Rs. 10/- each fully paid up.	22,17,04,000
Total	**56,89,93,200**

3.4. The authorized, issued, subscribed and paid up share capital of Demerged Company-II or Transferee Company-II as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
4,50,00,000 Equity shares of Rs. 10/- each	45,00,00,000
Total	**45,00,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
4,43,69,268 Equity shares of Rs. 10/- each fully paid up.	44,36,92,680
Total	**44,36,92,680**

3.5. The authorized, issued, subscribed and paid up share capital of Transferee Company-I or Resulting Company as on November 17, 2017 is as under:

Authorized Share Capital	**Amount (Rs.)**
4,00,00,000 Equity shares of Rs. 5/- each	20,00,00,000
Total	**20,00,00,000**
Issued, Subscribed and fully Paid up Share Capital	**Amount (Rs.)**
3,49,50,061 Equity shares of Rs. 5/- each fully paid up.	17,47,50,305
Total	**17,47,50,305**

3.6. It is expressly clarified that until this Scheme becomes effective, Companies are free to alter their authorized, issued, subscribed or paid up share capital as may be required for their respective business requirements, subject to the necessary approvals obtained from their respective Boards and shareholders, if required.

PART II

4 TRANSFER AND VESTING

4.1. Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business and whole of the undertaking(s), all property(*ies*), being movable or immovable, tangible or intangible, belonging to Transferor Company-I and Transferor Company-II including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, service export scrips, prepaid expenses (*current and non-current*), fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds (*current and non-current*), capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act,2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any body corporate (*whether in India and elsewhere*), mutual funds etc., other assets such as computer software and hardware, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Transferor Company-I and Transferor Company-II (hereinafter referred to as "**Said Assets-1**") and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-1 shall, unless otherwise agreed between Transferor Company-I, Transferor Company-II and Transferee Company-I specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company-I in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-1 of Transferee Company- I.

It is expressly clarified that, in so far leasehold, leave and licensed properties belonging to Transferor Company-I and Transferor Company-II are concerned, if any, and subject to terms and conditions of the respective lease agreements, leave and licensed agreements that have already been entered into between Transferor Company-I and Transferor Company-II with any other third party before Effective Date, Transferee Company-I may enter into fresh lease agreements and leave and licensed agreements, novate the existing lease agreements and leave and licensed agreements or terminate any lease agreements and leave and licensed agreements that are already in existence with any third party or enter into any kind of agreement with the lessor or licensor for transfer of leasehold, leave and licensed properties.

4.2. Without prejudice to Clause 4.1 of this Scheme, in respect of Said Assets-1 of Transferor Company-I and Transferor Company-II as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company-I upon coming into effect of this Scheme and shall upon such transfer become Said Assets-1 of Transferee Company-I with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-1 referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company-I pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

4.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date all publication rights, statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued to Transferor Company-I and Transferor Company-II under Applicable Laws including without limitation, Water (Prevention and Control of Pollution) Act, 1974, Environment (Protection) Act 1986, Air (Prevention and Control of Pollution) Act, 1981, Hazardous Waste (Management Handling and Transboundary Movement) Rules, 2016, Factories Act, 1948, Certificate of Importer- Exporter Code, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company-I and Transferor Company-II for the Employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as* ***"Said Rights and Interests-1"***), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company-I and Transferor Company-II, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Transferee Company- I so as to become on and from Appointed Date, Said Rights and Interests-1, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Transferee Company- I. Without prejudice to the above, Transferee Company-I shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Transferor Company-I and Transferor Company-II to carry out or perform all such formalities or compliances as may be required.

4.4. Upon coming into effect of this Scheme:

a) All vehicles (*whether freehold or of any nature whatsoever*) belonging to Transferor Company-I and Transferor Company-II, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Transferee Company- I without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company- I, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company- I as if the vehicles had originally been registered in the name of Transferee Company- I; and

a) All Intellectual Property Rights, if any, being used by Transferor Company-I and Transferor Company-II shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company- I without any further act, instrument or deed. Transferee Company- I, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

4.5. Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds/ ESI, trade payables due to dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, short term provisions, expenses payable, taxes and obligations of Transferor Company-I and Transferor Company-II, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as* ***"Said Liabilities-1"***) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company- I pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-1 of Transferee Company-I and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-1 may have arisen and are to be transferred to Transferee Company- I.

b) All loans raised and used and Said Liabilities-1 incurred, if any, by Transferor Company-I and Transferor Company-II after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Transferee Company- I without any further act or deed.

c) The borrowing limits of Transferee Company- I shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-1 pertaining to Transferor Company-I and Transferor Company-II which are being transferred to Transferee Company- I pursuant to this Scheme and Transferee Company- I shall not be required to pass any separate resolutions in this regard. Corporate guarantees issued by the Transferee Company-I in favor of banks for the Transferor Company-I and/or Transferor Company-II shall stand cancelled and be of no effect upon coming into effect of the Scheme.

d) It is clarified that insofar Said Assets-1 of Transferor Company-I and Transferor Company-II are concerned with the security or charge, encumbrance, lien over Said Assets-1 or any part thereof, if any, relating to Said Liabilities-1 or any other obligations of Transferor Company-I and Transferor Company-II, shall, without any further act, instrument or deed continue to relate to such Said Assets-1 after Effective Date in Transferee Company- I and shall not extend to any other assets of Transferee Company- I. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Transferee Company- I, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Company-I and Transferor Company-II are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company- I.

e) Transferee Company- I, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Transferee Company- I shall assume sole responsibility for repayment of borrowings.

4.6. With effect from Effective Date and until such time names of the bank accounts of Transferor Company-I and Transferor Company-II are replaced with that of Transferee Company- I, Transferee Company- I shall be entitled to operate the existing bank accounts of Transferor Company-I and Transferor Company-II, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Transferor Company-I and Transferor Company-II on and from Effective Date.

4.7. All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Company-I and Transferor Company-II or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to Transferor Company-I and Transferor Company-II on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company- I, as the case may be.

4.8. Upon the coming into effect of this Scheme and as per the provisions of Section 72A(1) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation of the Transferor Company-I and Transferor Company-II shall be transferred to the Transferee Company-I. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company-I.

4.9. Part II of this Scheme complies with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

5. LEGAL PROCEEDINGS

5.1. Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*), if any, by or against Transferor Company-I and Transferor Company-II pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Transferee Company- I as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Transferee Company- I.

5.2. It is expressly specified that Transferee Company- I undertakes to have all legal or other proceedings initiated by or against Transferor Company-I and Transferor Company-II referred to in Clause 5.1 above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

6. INTER COMPANY TRANSACTIONS

6.1. Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions between Transferor Company-I, Transferor Company-II and Transferee Company-I including but not limited to:

a) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*), which are due or outstanding or which may at any time in future become due between Transferor Company-I, Transferor Company-II and Transferee Company-I; or

b) any agreement/memorandum of understanding, executed amongst Transferor Company-I and Transferor Company-II and Transferee Company- I;

shall stand cancelled and be of no effect as on Effective Date and Transferor Company-I, Transferor Company-II and Transferee Company-I shall have no further obligation outstanding in that behalf.

7. TREATMENT OF TAXES

7.1. Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Transferor Company-I and Transferor Company-II (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax Act, Service Tax Act, Goods and Service Tax Act and all other Applicable Laws*), accruing and relating to Transferor Company-I and Transferor Company-II from Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source ("**TDS**"), minimum alternate tax ("**MAT**"), any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes shall be treated as advance tax payments, TDS, MAT, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company-I.

7.2. Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, MAT credit, book and tax losses etc*.), CENVAT credit, customs, value added tax, sales tax, service tax etc. to which Transferor Company-I and Transferor Company-II is entitled to, prior to the period of Appointed Date, shall be available to and vest in Transferee Company-I, without any further act or deed.

7.3. TDS, service tax, goods and service tax ("**GST**"), if any, deducted by and/or charged to Transferee Company-I under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferee Company-I to Transferor Company-I and Transferor Company-II on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Transferee Company- I and credit for such advance tax/ service tax/ GST etc. shall be allowed to Transferee Company-I notwithstanding that certificates or challans for advance tax/ service tax/ GST etc. being in the name of Transferor Company-I and Transferor Company-II and not in the name of Transferee Company-I. Similarly, TDS, service tax, GST, if any, deducted by and/or charged to Transferor Company-I and Transferor Company-II under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferor Company-I and Transferor Company-II to Transferee Company-I on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the TDS/service tax/GST etc. paid by Transferee Company-I and credit for such TDS/service tax/GST etc. shall be allowed to Transferee Company-I. Upon this Scheme becoming effective, the Transferee Company-I is permitted to file and/ or revise respective tax returns of Transferor Company-I, Transferor Company-II and its returns as well (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

7.4. Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws, or local levies issued or received by Transferor Company-I and Transferor Company-II if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Transferee Company-I and benefit of such forms shall be allowed to Transferee Company- I in the same manner and to the same extent as would have been available to Transferor Company-I and Transferor Company-II.

7.5. The expenses incurred by Transferor Company-I and Transferor Company-II and Transferee Company- I in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company-I in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

7.6. Any refund under tax laws due to Transferor Company-I and Transferor Company-II consequent to the assessments made on Transferor Company-I and Transferor Company-II and for which no credit is taken in the accounts as on the date immediately preceding Appointed Date shall belong to and be received by Transferee Company-I. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company-I upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

7.7. The income tax, if any, paid by the Transferor Company-I and Transferor Company-II on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company-I. The Transferee Company-I shall, after the Effective Date, be entitled to file the relevant returns with the Governmental and Registration Authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, Transferee Company-I shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company-I and Transferor Company-II for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

8. TREATMENT OF EMPLOYEES

8.1. Upon coming into effect of this Scheme:

a) All staff, workmen and employees who are in employment of Transferor Company-I and Transferor Company-II on Effective Date shall become staff, workmen and employees of Transferee Company-I with effect from Appointed Date on the basis that:

(i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and

(ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/ trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/ workmen/employees of Transferor Company-I and Transferor Company-II are concerned, upon coming into effect of the Scheme, Transferee Company-I shall stand substituted for Transferor Company-I and Transferor Company-II for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of Transferor Company-I and Transferor Company-II in relation to such scheme(s) or fund(s) or trust(s) shall become those of Transferee Company-I. It is clarified that employment of employees of Transferor Company-I and Transferor Company-II will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. Transferee Company-I shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Transferee Company-I for Transferor Company-I and Transferor Company-II. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Transferor Company-I and Transferor Company-II shall be made by Transferee Company-I in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

9. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

9.1. Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments, writings and benefits of whatsoever nature, if any, to which any of Transferor Company-I and Transferor Company-II are a party and are subsisting or having effect on Effective Date shall upon coming into effect of the Scheme and with effect from the Appointed Date, the same shall remain in full force and effect against or in favor of Transferee Company-I and may be enforced by or against Transferee Company-I as fully and effectually as if, instead of Transferor Company-I and Transferor Company-II, Transferee Company-I had been a party thereto or beneficiary or obligee thereto or thereunder.

9.2. Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favor of Transferor Company-I and Transferor Company-II or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges granted by any Governmental or Registration Authorities or by any other person and enjoyed or availed by Transferor Company-I and Transferor Company-II shall stand transferred to Transferee Company-I as if the same were originally given by, issued to or executed in favor of Transferee Company-I and Transferee Company-I shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to Transferee Company-I. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any Governmental or Registration Authorities or by any other person, or availed by Transferor Company-I and Transferor Company-II are concerned, the same shall vest with and be available to Transferee Company-I on the same terms and conditions as applicable to Transferor Company-I and Transferor Company-II, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Transferee Company-I.

9.3. All resolutions of Transferor Company-I and Transferor Company-II which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company-I and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Transferee Company-I.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

10.1. With effect from Appointed Date and up to and including Effective Date, Transferor Company-I and Transferor Company-II shall be deemed to carry on all their businesses and other incidental matters for and on account of and in trust for Transferee Company-I with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Transferee Company-I alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets-1 or such Said Rights and Interests-1 and their business undertaking(s) or any part thereof, save and except in each case:

a) If it is in the ordinary course of business of Transferor Company-I and Transferor Company-II as on the date of filing this Scheme with the Tribunal; or

b) If the same is expressly permitted by this Scheme.

10.2. All Said Assets-1 and Said Rights and Interests-1 pertaining to the business of Transferor Company-I and Transferor Company-II accrued to and/or acquired by Transferor Company-I and Transferor Company-II after Appointed Date and prior to Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of Transferee Company-I and shall upon coming into effect of this Scheme and pursuant to provisions of section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company-I to that extent and shall become Said Assets-1 and Said Rights and Interests-1 of Transferee Company-I.

11. SAVING OF CONCLUDED TRANSACTION

11.1. Where any of Said Liabilities-1 of Transferor Company-I and Transferor Company-II, as on Appointed Date, transferred to Transferee Company-I have been discharged by Transferor Company-I and Transferor Company-II after Appointed Date and prior to Effective Date, such discharge of Said Liabilities -1 shall be deemed to have been for and on account of Transferee Company-I.

11.2. Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of all business undertakings of Transferor Company-I and Transferor Company-II as per this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company-I and Transferor Company-II on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that Transferee Company-I accepts and adopts all acts, deeds, matters and things made, done and executed by Transferor Company-I and Transferor Company-II as acts, deeds, matters and things made, done and executed by or on behalf of Transferee Company-I.

11.3. All Said Liabilities-1, incurred or undertaken by Transferor Company-I and Transferor Company-II after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Transferee Company-I to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and/or vested in and/ or be deemed to have been transferred to and vested in Transferee Company-I and shall become Said Liabilities-1 of Transferee Company-I.

12. CONSIDERATION

12.1. Upon coming into effect of this Scheme, shares of the Transferor Company-I and Transferor Company-II held by Transferee Company-I shall, without any further application, act, instrument or deed, be automatically cancelled and be of no effect on and from Effective Date. Further, since Transferee Company- I is the only shareholder of the Transferor Company- I and Transferor Company-II, therefore no shares will be allotted by the Transferee Company – I to itself.

13. ACCOUNTING TREATMENT

13.1. Upon the Scheme becoming effective and with effect from Appointed Date, Amalgamation shall be accounted as per 'The Pooling Interest Method' prescribed under Indian Accounting Standard 103- Business Combinations specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

13.2. The Transferee Company-I shall restate its financial statements of the prior period to show the effect of the Scheme in accordance with Indian Accounting Standard (Ind AS) 103.

13.3. Inter-company balances and investments amongst Transferor Company-I, Transferor Company-II and Transferee Company-I, if any, shall stand cancelled.

13.4. Transferee Company-I shall record in its books of accounts, all transactions of Transferor Company-I and Transferor Company-II in respect of Said Assets-1 and Said Liabilities-1, income and expenses, from Appointed Date to Effective Date.

13.5. If, at the time of the Amalgamation, the Transferor Company-I and Transferor Company-II and Transferee Company-I have conflicting accounting policies, the accounting policies of Transferee Company-I should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with the applicable accounting standards.

13.6. Notwithstanding the above, the Board of Directors of the Transferee Company is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India ,including the Indian Accounting Standard (Ind AS) specified under section 133 of the Act read with Companies (Accounting Standards) Amendment Rules, 2016.

14. CLUBBING OF AUTHORIZED SHARE CAPITAL

14.1. Upon the Scheme coming into effect and with effect from Appointed Date, the authorized share capital of Transferor Company-I and Transferor Company-II as on Effective Date shall stand transferred to and be added with the authorized share capital of Transferee Company-I, without any liability for payment of any additional fees (*including fee payable to ROC*, except as may be required as per the applicable provisions of the Act) or stamp duty or any other charges under any Applicable Laws for time being in force.

14.2. Consequent to transfer of the existing authorized share capital of Transferor Company-I and Transferor Company-II on Effective Date in accordance with clause 14.1 above, Clause V of the memorandum of association of Transferee Company-I shall be substituted to read as follows:

> *"The Authorized Share Capital of the Company is Rs. 20,15,00,000/- (Rupees Twenty Crores and Fifteen Lakh only) divided into 4,03,00,000 (Four Crore and Three Lakh) Equity Shares of Rs. 5/- (Rupees Five) each."*

14.3. It is hereby clarified that the consent of shareholders of Transferee Company-I to the Scheme shall be sufficient for purposes of effecting amendment in the memorandum of association of Transferee Company-I and that no further resolution under sections 13, 14 and 61 of the Act and any other applicable provisions of the Act would be required to be separately passed nor any additional registration fee etc. be payable by Transferee Company-I. However, Transferee Company-I shall file the amended copy of its memorandum of association with the Registrar of Companies within a period of 30 (*Thirty*) days from Effective Date and the Registrar of Companies shall take the same on record.

PART III

15. TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS

15.1. Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire businesses, all property(*ies*), being movable or immovable, tangible or intangible (*whether under development or otherwise*), pertaining to Demerged Undertakings of Demerged Companies including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, educational kits , employees imprest, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, inter-branch balances, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, service export scrips, prepaid expenses *(current and non-current)*, fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds *(current and non-current)*, capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act,2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of anybody corporate (whether in India and elsewhere), mutual funds etc. belonging to Demerged Undertaking of Demerged Company-I and excluding all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of anybody corporate (whether in India and elsewhere), mutual funds etc. held by Demerged Company-II, other assets such as computer software and hardware, peripherals, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Demerged Companies and are pertaining to the Demerged Undertakings (hereinafter referred to as "**Said Assets-2**") and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-2 shall, unless otherwise agreed amongst Demerged Companies and Resulting Company specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Resulting Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-2 of Resulting Company.

It is expressly clarified that, in so far leasehold, leave and licensed properties pertaining to Demerged Undertakings of Demerged Companies are concerned, if any, and subject to terms and conditions of the respective lease agreements and leave and license agreements that have already been entered into between Demerged Companies with any other third party before Effective Date, Resulting Company may enter into fresh lease agreements and/or leave and license agreements, novate the existing lease agreements and/or leave and license agreements or terminate any lease agreements and/or leave and license agreements that are already in existence with any third party or enter into any kind of agreement with the lessor and/or licensor for transfer of leasehold and/or leave and licensed properties.

15.2. Without prejudice to Clause 15.1 of this Scheme, in respect of Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Resulting Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets-2 of Resulting Company with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Resulting Company pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

15.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date all license rights from third parties, publication rights, statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued pertaining to Demerged Undertakings of Demerged Companies under Applicable Laws including without limitation Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Companies for the employees of their respective Demerged Undertakings, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as "**Said Rights and Interests-2**"*), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Demerged Companies, shall, pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Resulting Company so as to become on and from Appointed Date, Said Rights and Interests-2, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Resulting Company. Without prejudice to the above, Resulting Company shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Demerged Companies to carry out or perform all such formalities or compliances as may be required.

15.4. Upon coming into effect of this Scheme:

(i) All vehicles (*whether freehold or encumbered*), of any nature whatsoever, belonging to Demerged Undertakings of Demerged Companies, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Resulting Company without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Resulting Company, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Resulting Company as if the vehicles had originally been registered in the name of Resulting Company; and

(ii) All Intellectual Property Rights pertaining to the Demerged Undertakings, if any, being used by Demerged Companies shall stand transferred to and vested in and be deemed to be transferred to and vested in the name of Resulting Company without any further act, instrument or deed. Resulting Company, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Demerger, if required, who shall take them on record pursuant to the order of Tribunal.

15.5. Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables, trade creditors dues of micro and small enterprises, staff and other creditors, employee benefit payable, long term or short term provisions, advance from customers, sales invoice discounting, short term provisions including but not limited to gratuity, leave encashment and bonus, expenses payable, taxes and obligations of Demerged Companies relating to the Demerged Undertakings, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "**Said Liabilities-2**"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Resulting Company pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-2 of Resulting Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-2 may have arisen and are to be transferred to Resulting Company.

b) If there are any general or multipurpose borrowings in the books of account of the Demerged Companies, so much of the amount of the general or multipurpose borrowings, as standing in the same proportion in which the value of the assets transferred pursuant to the Scheme bears to the total value of the assets of respective Demerged Companies immediately before the Demerger, shall also stand transferred to the Resulting Company pursuant to the Scheme.

c) All loans raised and used and Said Liabilities-2 incurred in respect of the Demerged Undertakings, if any, by the respective Demerged Companies after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Resulting Company without any further act or deed.

d) The borrowing limits of Resulting Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-2 pertaining to Demerged Undertakings of Demerged Companies which are being transferred to Resulting Company pursuant to this Scheme and Resulting Company shall not be required to pass any separate resolutions in this regard. Corporate guarantees issued by the Resulting Company in favor of banks for the Demerged Undertakings shall stand cancelled and be of no effect upon the effectiveness of this Scheme.

e) It is clarified that insofar Said Assets-2 pertaining to Demerged Undertakings of Demerged Companies are concerned with the security or charge, encumbrance, lien over Said Assets-2 or any part thereof, if any, relating to Said Liabilities-2 or any other obligations of Demerged Companies, shall, without any further act, instrument or deed continue to relate to such Said Assets-2 after Effective Date in Resulting Company and shall not extend to any other assets of Resulting Company. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Resulting Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Demerged Companies and Resulting Company are party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Resulting Company.

f) Resulting Company, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Resulting Company shall assume sole responsibility for repayment of borrowings.

15.6. It is expressly clarified that in case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Demerged Undertakings of the respective Demerged Companies, or whether it arises out of the activities or operations of the Demerged Undertakings, the same shall be decided by mutual agreement between Board of Directors of the Demerged Companies and the Resulting Company.

15.7. With effect from Effective Date and until such time names of the bank accounts of Demerged Companies which are pertaining to their respective Demerged Undertakings are replaced with that of Resulting Company, Resulting Company shall be entitled to operate the existing bank accounts of Demerged Companies, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Demerged Companies on and from Effective Date.

15.8. All profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Demerged Undertakings of the Demerged Companies or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to the Demerged Undertakings of the Demerged Companies on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Resulting Company, as the case may be.

15.9. Upon the coming into effect of this Scheme and as per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies as pertaining to the Demerged Undertakings shall be transferred to the Resulting Company. Further, all accumulated business and tax losses and unabsorbed depreciation of the Demerged Companies which do not directly pertain to the Demerged Undertakings shall also be transferred to the Resulting Company in terms of the provisions of Section 72A(4)(b) of the IT Act. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Resulting Company.

15.10. Part III of this this Scheme complies with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any term or provision of this Scheme is found or interpreted to be inconsistent with the said provision at a later date including resulting from any amendment of Applicable Laws or for any other reason, whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Law shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(19AA) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall, however, not affect other parts of this Scheme.

16. LEGAL PROCEEDINGS

16.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*), if any, by or against respective Demerged Companies pertaining to the business of Demerged Undertakings pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Resulting Company as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Resulting Company.

16.2 It is expressly specified that Resulting Company undertakes to have all legal or other proceedings pertaining to Demerged Undertakings initiated by or against Demerged Companies referred to in Clause 16.1 above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

17. INTER COMPANY TRANSACTIONS

17.1. Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions between Demerged Companies and Resulting Company as pertaining to Demerged Undertakings including but not limited to:

(i) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*), which are due or outstanding or which may at any time in future become due between Demerged Companies and Resulting Company; or

(ii) any agreement/memorandum of understanding, executed between Demerged Companies and Resulting Company;

shall stand cancelled and be of no effect as on Effective Date and Demerged Companies and Resulting Company shall have no further obligation outstanding in that behalf.

18. TREATMENT OF TAXES

18.1. Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Demerged Companies (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax Act, Service Tax Act, Goods and Service Tax Act and all other Applicable Laws*), accruing and relating to their Demerged Undertakings from Appointed Date onwards, including but not limited to advance tax payments, TDS, any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes shall be treated as advance tax payments, TDS, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Resulting Company.

18.2. Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc*.), CENVAT credit, customs, value added tax, sales tax, service tax etc. to which Demerged Companies is entitled to, prior to the period of Appointed Date, shall be available to and vest in Transferee Company-II, without any further act or deed.

18.3. TDS, service tax, GST, if any, deducted by and/or charged to Resulting Company under the IT Act or any other statute for the time being in force, in respect of the payments made by Resulting Company to Demerged Companies on account of inter-company transactions pertaining to Demerged Undertakings, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Resulting Company and credit for such advance tax/ service tax/ GST etc. shall be allowed to Resulting Company notwithstanding that certificates or challans for TDS, service tax, GST etc. being in the name of Demerged Companies and not in the name of Resulting Company. Similarly, TDS, service tax, GST, if any, deducted by and/or charged in respect of Demerged Undertakings of Demerged Companies under the IT Act or any other statute for the time being in force, in respect of the payments made by Demerged Companies on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the TDS/service tax/GST etc. paid by Resulting Company and credit for such TDS/service tax/GST etc. shall be allowed to Resulting Company. Upon this Scheme becoming effective, the Resulting Company is permitted to file and/ or revise respective tax returns of Demerged Undertakings and its own return (*including but not limited to income tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

18.4. Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws or local levies issued or received by Demerged Companies and pertaining to Demerged Undertakings if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Resulting Company and benefit of such forms shall be allowed to Resulting Company in the same manner and to the same extent as would have been available to Demerged Companies.

18.5. The expenses incurred by Demerged Companies and Resulting Company in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Resulting Company in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

18.6. Any refund under tax laws due to Demerged Companies which is pertaining to their Demerged Undertakings consequent to the assessments made on Demerged Companies and for which no credit is taken in the accounts as on the date immediately preceding Appointed Date shall belong to and be received by Resulting Company. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Resulting Company upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

18.7. The income tax pertaining to the Demerged Undertakings, if any, paid by the Demerged Companies on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Resulting Company. The Resulting Company shall, after the Effective Date, be entitled to file the relevant returns with the Governmental and Registration Authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, Resulting Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Demerged Companies for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

19. TREATMENT OF EMPLOYEES

19.1. Upon coming into effect of this Scheme:

a) All staff, workmen and employees who are in employment of Demerged Companies and are pertaining to their respective Demerged Undertakings on Effective Date shall become staff, workmen and employees of Resulting Company with effect from Appointed Date on the basis that:

(i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and

(ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/workmen/ employees of Demerged Undertakings of Demerged Companies are concerned, upon coming into effect of the Scheme, Resulting Company shall stand substituted for Demerged Companies for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of Demerged Companies in relation to such scheme(s) or fund(s) or trust(s) shall become those of Resulting Company. It is clarified that employment of employees in Demerged Undertakings of Demerged Companies will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. Resulting Company shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Resulting Company for Demerged Companies. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Demerged Undertakings of Demerged Companies shall be made by Resulting Company in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

20. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

20.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature pertaining to Demerged Undertakings to which Demerged Companies are a party and is subsisting or having effect on Effective Date, shall upon coming into effect of this Scheme, shall remain in full force and effect against or in favor of Resulting Company and may be enforced by or against Resulting Company as fully and effectually as if, instead of Demerged Companies, Resulting Company had been a party thereto or beneficiary or obligee thereto or thereunder.

20.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, contractual licenses, certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favour of Demerged Companies and which are pertaining to its Demerged Undertakings or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Demerged Undertakings granted by any Governmental or Registration Authorities or by any other person and enjoyed or availed by Demerged Companies shall stand transferred to Resulting Company as if the same were originally given by, issued to or executed in favor of Resulting Company and Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to Resulting Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Demerged Undertakings granted by any Governmental or Registration Authorities or by any other person, or availed by Demerged Companies are concerned, the same shall vest with and be available to Resulting Company on the same terms and conditions as applicable to Demerged Companies as if the same had been allotted and/or granted and/or sanctioned and/ or allowed to Resulting Company.

20.3 All resolutions pertaining to Demerged Undertakings of Demerged Companies which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Resulting Company and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Resulting Company.

21. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

21.1 With effect from Appointed Date and up to and including Effective Date, Demerged Companies shall be deemed to carry on all the businesses and other incidental matters pertaining to Demerged Undertakings for and on account of and in trust for Resulting Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Resulting Company alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets-2 or such Said Rights and Interests-2 and business undertaking(s) or any part thereof, save and except in each case:

(i) If it is in the ordinary course of business of Demerged Companies as on the date of filing this Scheme with the Tribunal; or

(ii) If the same is expressly permitted by this Scheme.

21.2 All Said Assets-2 and Said Rights and Interests-2 pertaining to Demerged Undertakings of Demerged Companies accrued to and/or acquired by Demerged Companies after Appointed Date and prior to Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of Resulting Company and shall upon coming into effect of this Scheme and pursuant to provisions of section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Resulting Company to that extent and shall become Said Assets-2 and Said Rights and Interests-2 of Resulting Company.

22. SAVING OF CONCLUDED TRANSACTION

22.1. Where any of the Said Liabilities-2 pertaining to Demerged Undertakings of Demerged Companies as on Appointed Date transferred to Resulting Company have been discharged by Demerged Companies after Appointed Date and prior to Effective Date, such discharge of Said Liabilities-2 shall be deemed to have been for and on account of Resulting Company.

22.2. Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of Demerged Undertakings of Demerged Companies as per this Scheme shall not affect any transactions or proceedings already concluded by Demerged Companies on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds, matters and things made, done and executed by Demerged Companies as acts, deeds, matters and things made, done and executed by or on behalf of Resulting Company.

22.3. All Said Liabilities-2 pertaining to Demerged Undertakings incurred or undertaken by Demerged Companies after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Resulting Company to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in Resulting Company and shall become Said Liabilities-2 of Resulting Company.

23. CONSIDERATION

23.1. Since as a consequence of giving effect to Part- II of this Scheme, the Demerged Company II shall become a direct wholly-owned subsidiary of the Resulting Company and also substantial equity shares and all preference shares of Demerged Company-I are held by Resulting Company and Demerged Company-II, therefore, the Resulting Company shall not issue any shares neither to itself nor to Demerged Company-II.

23.2. Upon coming into effect of the Scheme, without any further application, act, instrument or deed and upon the transfer and vesting of the Demerged Undertaking of the Demerged Company-I to the Resulting Company and subject to the provision of Clause 23.1 of this Scheme, the Board of the Demerged Company-I and Resulting Company after considering the valuation report dated November 14, 2017 issued by M/s B Chhawchharia & Co., Chartered Accountants having Firm Regn. No.305123E, have decided that the Resulting Company shall issue its equity shares to the equity shareholders of the Demerged Company-I (other than the Resulting Company and the Demerged Company II), whose name appear in the Register of Members of the Demerged Company-I, as consideration for the transfer and vesting of the Demerged Undertaking in the Resulting Company in the following manner:

> *"1 equity share of Rs. 5/- each fully paid-up of the Resulting Company for 117 equity shares of Rs. 10/- each of the Demerged Company – I."*

23.3. In respect of any fractional shares, if any to be issued to equity shareholders of the Demerged Company-I, the same shall be rounded off to the nearest whole integer.

23.4. Equity shares to be allotted by the Resulting Company under Clause 23.2 above, shall hereinafter be referred to as **"New Equity Shares-1"**.

23.5. The New Equity Shares-1 to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of the Resulting Company;

23.6. The New Equity Shares-1 shall rank, for dividend, voting rights and for all other benefits and in all other respects, pari-passu with the existing equity shares of the Resulting Company with effect from the date of allotment of New Equity Shares-1; and

23.7. The issue and allotment of New Equity Shares-1, pursuant to Clause 23.2 above is an integral part of this Scheme. The approval of this Scheme by the members of the Resulting Company shall be deemed to be due compliance with section 42, 62(1)(c) of the Act and other applicable provisions of the Act.

24. ACCOUNTING TREATMENT

24.1 The Demerged Companies and Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including as provided herein below:

24.1. Accounting treatment in the books of the Demerged Companies:

a) Upon the Scheme becoming effective, the value of all assets, liabilities, profits or reserves pertaining to the Demerged Undertakings of the Demerged Companies along with the liabilities which are not directly relatable to the Demerged Undertaking, as appearing in the books of accounts of the Demerged Companies and are to be transferred to the

Resulting Company, in terms of the Clause 15.1 and 15.4 of this Scheme, shall be reduced from the book value of assets and liabilities of the Demerged Companies.

b) Inter-company balances and investments, if any, between Demerged Companies and Resulting Company pertaining to the Demerged Undertakings shall stand cancelled.

c) Any surplus or deficit arising in the books of the Demerged Companies after giving effect to the provisions of sub-clause (a) of this clause above, shall be adjusted against the reserves appearing in the books of the Demerged Companies and if the difference still remains, the same shall be adjusted against the share capital of the Demerged Companies in accordance with the applicable accounting principles and accordingly, the share capital of the Demerged Companies shall stand reduced and cancelled.

d) The reduction of share capital of the Demerged Companies shall be effected as an integral part of the Scheme in accordance with the provisions of section 66 of the Act without having to follow the procedure under section 66 of the Act, separately. The order of the Tribunal sanctioning the Scheme shall also be deemed to be order under Section 66 of the Act.

e) Notwithstanding the above, the Board of Directors of the Demerged Companies is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian Accounting Standard (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

24.2. Accounting treatment in the books of the Resulting Company:

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

a) The Resulting Company shall record the assets and liabilities of the Demerged Undertakings vested in it pursuant to this Scheme, at the respective values (ignoring revaluation, if any) thereof, as appearing in the books of the Demerged Companies at the close of the day immediately preceding the Appointed Date.

b) In order to give effect to Demerger, the Resulting Company shall restate the value of any asset, including investments, if any, acquired/ sold as a consequence of any transaction inter-se between the Demerged Companies and the Resulting Company prior to the Scheme becoming effective, at its value as appearing in the books of the respective Company prior to such transaction, irrespective of the consideration paid therefor. For the sake of clarity, the effect of any inter-se transaction of sale/ purchase between the Demerged Company I and Demerged Company II and the Resulting Company shall stand nullified and would be given effect to in the books of the respective companies, in order to give full effect to demerger

c) Any receivables or payables, which pertains to the Demerged Undertakings, arising thereon between the Demerged Company I and Demerged Company II and the Resulting Company, inter-corporate loans or balances pertaining to the Demerged Undertakings as arising between the Demerged Company I, Demerged Company II and the Resulting Company or vice-versa shall also stand nullified upon the Scheme becoming effective and the Resulting Company shall pass necessary entries in its books of accounts.

d) The Resulting Company shall credit the aggregate face value of the New Equity Shares-1 issued by it to the members of the Demerged Company-I pursuant to this Scheme to the Share Capital Account in its books of accounts.

e) Any surplus/excess in the value of assets over the value of liabilities of the Demerged Undertakings as transferred to the Resulting Company over the face value of the New Equity Shares-1 allotted by the Resulting Company under Clause 23.2 of this Scheme shall be adjusted in accordance with the applicable accounting principles;

f) In case of any differences in accounting policies between the Resulting Company and Demerged Companies, the impact of such differences shall be quantified and adjusted in accordance with the applicable accounting principles;

g) To the extent that there are any obligations of the Resulting Company towards the Demerged Undertakings, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account of the Resulting Company.

h) Notwithstanding the above, the Board of Directors of the Resulting Company is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

25. REMAINING UNDERTAKINGS OF THE DEMERGED COMPANIES

25.1. The Remaining Undertakings and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the respective Demerged Companies.

25.2. All legal, taxation or other proceedings whether civil or criminal (*including before any Governmental and Registration Authorities*) by or against the Demerged Companies under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter and in each case relating to their respective Remaining Undertakings (*including* *those relating to any property, right, power, liability, obligation or duties of the Demerged Companies in respect of the Remaining Undertakings)* shall be continued and enforced by or against the Demerged Companies after the Effective Date. The Resulting Company shall not in any event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Companies which relate to the Remaining Undertaking.

25.3. If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-clause 25.2 above, it shall defend the same in accordance with the advice of the Demerged Company-II and at the cost of the Demerged Company-II and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.

25.4. With effect from the Appointed Date and up to and including the Effective Date:

a) the Demerged Companies shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertakings for and on its own behalf;

b) all profits accruing to the Demerged Companies thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Undertakings shall, for all purposes, be treated as the profits or losses, as the case may be, of the respective Demerged Companies;

c) all taxes, duties, cess, if any, paid/payable by the Demerged Companies pertaining to their respective Remaining Undertakings including all or any refunds/credit/claim, if any, shall be treated as a liability or refunds/credit/claim, as the case may be, of the Demerged Companies; and

d) all assets and properties acquired by the Demerged Companies in relation to their respective Remaining Undertakings on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Companies. It is expressly clarified that the Board of the respective Demerged Companies on or after the Appointed Date are free to dispose (*transfer, sale or extinguish*) any of their assets forming part of the Remaining Undertakings to any other person.

26. COMPLIANCES

26.1. The Resulting Company will make an application for approval, if applicable, or filings to Reserve Bank of India/ authorized dealer or other appropriate Governmental and Registration Authorities, wherever required, for their approval under the provisions of FEMA for issue and allotment of shares in the Resulting Company to the non-resident equity shareholders of the Demerged Company-I pertaining to the Demerged Undertaking-I in accordance with the provisions of the Scheme. Further, the Resulting Company shall also file all relevant intimations, if required, with the Reserve Bank of India/authorized dealer or any Governmental and Registration Authority in this regard. Such application for approval, if required, shall be made by the Resulting Company within 30 days of the Record Date.

26.2. The approval to this Scheme under sections 230-232 and other applicable provisions of the Act, by the shareholders and/ or creditors of the Demerged Companies pertaining to the Demerged Undertakings and Resulting Company shall be deemed to have the approval of the shareholders and/or creditors, as the case may be, under the applicable provisions of the Act, including but not limited to sections 4, 13, 14, 61 and 64 of the Act and no separate procedure is required to be carried out.

PART IV

27. TRANSFER AND VESTING

27.1 Upon coming into effect of this Scheme and with effect from Appointed Date and subject to provisions of this Scheme including in relation to mode of transfer or vesting, the entire business of the Remaining Undertaking-I, all property(*ies*), being movable or immovable, tangible or intangible, belonging to Transferor Company-III including but not limited to property, plant and equipment, furniture and fixtures, land and building, (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), any leasehold properties, all documents of title, rights and easements in relation thereto or improvements, bank balances, bank deposits against bank guarantees, interest accrued but not due on bank deposits, interest accrued on deposits, security deposits, cash and cash equivalents, cash imprest, sundry debtors, outstanding loans and advances *(short-term and long-term),* if any, recoverable in cash or in kind or for value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses *(current and non-current)*, fixed assets, inventories, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, GST credit and refunds *(current and non-current)*, capital advances, trade receivables, any unbilled revenue, accrued interest, other current and non-current assets, deferred tax assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the tax laws (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service tax, Goods and Service Tax Act, 2016 and all other Applicable Laws*), all past and present investments, if any, including but not limited to investment in quoted and unquoted shares, preference shares, debentures and other securities of all descriptions of any body corporate (whether in India and elsewhere), mutual funds etc., other assets such as computer software and hardware, tools and dies, fan coolers, air conditioners, vehicles (*whether freehold or encumbered*), office equipment, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favor of or enjoyed by Transferor Company-III (*hereinafter referred to as "**Said Assets-3**"*) and all documents of titles, receipts and easements in relation thereto, all rights, covenants, continuing rights, titles and interest in connection with Said Assets-3 shall, unless otherwise agreed between Transferor Company-III and Transferee Company-II specifically, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company-II in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the orders of the Tribunal sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets-3 of Transferee Company-II.

It is expressly clarified that, in so far leasehold, leave and licensed properties belonging to Transferor Company-III are concerned, if any, and subject to terms and conditions of the respective lease agreements and leave and license agreements that have already been entered into between Transferor Company-III and any other third party before Effective Date, Transferee Company-II may enter into fresh lease agreements and/or leave and license agreements, novate the existing lease agreements or terminate any lease agreements and leave and license agreements that are already in existence with any third party or enter into any kind of agreement with the lessor for transfer of leasehold and/or leave and licensed properties.

27.2 Without prejudice to Clause 27.1 of this Scheme, in respect of Said Assets-3 of Transferor Company-III as are movable in nature or incorporeal property or are otherwise capable of being transferred by manual delivery or possession or by endorsement and/or delivery, the same shall stand transferred to Transferee Company-II upon coming into effect of this Scheme and shall upon such transfer become Said Assets-3 of Transferee Company-II with effect from Appointed Date. In respect of any such assets, rights, titles and interests other than Said Assets-3 referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company-II pursuant to an order being made thereof by the Tribunal under section 232 of the Act.

27.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the statutory licenses including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consolidated consent and authorization order and all other business certifications and all other registration certificates issued to Transferor Company-III as pertaining to Remaining Undertaking-I under Applicable Laws including without limitation certificate of importer- exporter code, Water (Prevention and Control of Pollution) Act, 1974, Environment (Protection) Act 1986, Air (Prevention and Control of Pollution) Act, 1981, Hazardous Waste (Management Handling and Transboundary Movement) Rules 2016, Factories Act, 1948, Contract Labour Act, 1970, Contract Labour (Regulation and Abolition) Act, 1970, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees State Insurance Act, 1948 and/or Gratuity Act, 1972 and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company-III for the employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (*hereinafter referred to as "**Said Rights and Interests-3**"*), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor

Company-III, shall pursuant to provisions of section 232(4) of the Act and other applicable provisions of Applicable Laws, for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to Transferee Company-II so as to become on and from Appointed Date, Said Rights and Interests-3, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favor of Transferee Company-II. Without prejudice to the above, Transferee Company-II shall under the provisions of this Scheme and/or subject to necessary approvals required under Applicable Laws be deemed to be authorized to execute any such writings on behalf of Transferor Company-III to carry out or perform all such formalities or compliances as may be required.

27.4 Upon coming into effect of this Scheme:

a) All vehicles (*whether freehold or encumbered*), of any nature whatsoever, belonging to Transferor Company-III which are pertaining to Remaining Undertaking-I, shall stand transferred to and vested in and/ or be deemed to be transferred and vested in Transferee Company-II without any further act, instrument or deed or any further payment of fees, charge or securities and upon application being made by Transferee Company-II, the relevant Governmental and Registration Authorities shall mutate and register the said vehicles in the name of Transferee Company-II as if the vehicles had originally been registered in the name of Transferee Company-II; and

b) The Intellectual Property Rights pertaining to Remaining Undertaking-I, if any, being used by Transferor Company-III shall stand transferred to and vested and be deemed to be transferred to and vested in the name of Transferee Company-II without any further act, instrument or deed. Transferee Company-II, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.

27.5 Upon coming into effect of this Scheme and with effect from Appointed Date:

a) All secured and unsecured liabilities, borrowings *(long-term and short-term)*, including liabilities of every kind, nature and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees, *(long-term and short term)*, security deposits received, loans, contingent liabilities, deferred tax liabilities, non-trade payables, creditors of fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, bank overdraft, long term loan and advances from customers, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables, dues of micro and small enterprises, staff and other creditors, employee benefit payables, long term or short term provisions, advance from customers, short term provisions, expenses payable, taxes and obligations of Transferor Company-III pertaining to Remaining Undertaking-I, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature (*hereinafter referred to as "**Said Liabilities-3**"*) shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in Transferee Company-II pursuant to provisions of section 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Laws so as to become Said Liabilities-3 of Transferee Company-II and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such Said Liabilities-3 may have arisen and are to be transferred to Transferee Company-II.

b) The loans raised and used and Said Liabilities-3 incurred, if any, by Transferor Company-III as pertaining to Remaining Undertaking-I after Appointed Date, but prior to Effective Date, shall also be deemed to be transferred to and vested with Transferee Company-II without any further act or deed.

c) The borrowing limits of Transferee Company-II shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities-3 pertaining to Remaining Undertaking-I of Transferor Company-III which are being transferred to Transferee Company-II pursuant to this Scheme and Transferee Company-II shall not be required to pass any separate resolutions in this regard.

d) It is clarified that insofar Said Assets-3 of Transferor Company-III are concerned with the security or charge, encumbrance, lien over Said Assets-3 or any part thereof, if any, relating to Said Liabilities-3 or any other obligations of Transferor Company-III, shall, without any further act, instrument or deed continue to relate to such Said Assets-3 after Effective Date in Transferee Company-II and shall not extend to any other assets of Transferee Company-II. However, it is expressly clarified that any such security or charge or lien shall not be entered to as security in relation to any assets of the Transferee Company-II, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which Transferor Company-III is a party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of Transferee Company-II;

e) Transferee Company-II, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that Transferee Company-II shall assume sole responsibility for repayment of borrowings.

27.6 With effect from Effective Date and until such time names of the bank accounts of Transferor Company-III are replaced with that of Transferee Company-II, Transferee Company-II shall be entitled to operate the existing bank accounts of Transferor Company-III, in so far, as may be necessary. The banks shall also honor cheques or other bills issued in the name of Transferor Company-III on and from Effective Date.

27.7 All existing profits or incomes including interest on deposits with banks, interest income etc., accruing or arising to Transferor Company-III or expenditure or losses arising or incurred (*including the effect of taxes, if any*) to Transferor Company-III on and any time after Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of Transferee Company-II, as the case may be.

27.8 Upon the coming into effect of this Scheme and as per the provisions of Section 72A(1) and other applicable provisions of the IT Act, all accumulated business and tax losses and unabsorbed depreciation pertaining to the Remaining Undertaking-I of the Transferor Company-III shall be transferred to the Transferee Company-II. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company-II.

27.9 Part IV of this Scheme complies with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of Applicable Laws or for any other reason whatsoever, then the provisions of such amended section(s) of the IT Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the IT Act or any other Applicable Law, as may be amended from time to time. Such modification shall however not affect other parts of this Scheme.

28. LEGAL PROCEEDINGS

28.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings (*before any statutory or quasi-judicial authority or tribunal or any court*) pertaining to Remaining Undertaking-I, if any, by or against Transferor Company-III pending and/or arising on or before Effective Date shall be continued and/or be enforced by or against Transferee Company-II as effectually and in the same manner and extent as if the same has been instituted and/or pending and/or arising by or against Transferee Company-II.

28.2 It is expressly specified that Transferee Company-II undertakes to have all legal or other proceedings pertaining to Remaining Undertaking-I initiated by or against Transferor Company-III referred to in Clause 28.1 above, be transferred to its name and shall have the same continued, prosecuted and enforced in its name.

29. INTER COMPANY TRANSACTIONS

29.1 Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from Appointed Date, all inter-company transactions pertaining to Remaining Undertaking-I between Transferor Company-III and Transferee Company-II including but not limited to:

a) any loans, advances, and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form*), which are due or outstanding or which may at any time in future become due between Transferor Company-III and Transferee Company-II; or

b) any agreement/memorandum of understanding, executed between Transferor Company-III and Transferee Company-II;

shall stand cancelled and be of no effect as on Effective Date and Transferor Company-III and Transferee Company-II shall have no further obligation outstanding in that behalf.

30. TREATMENT OF TAXES

30.1 Upon this Scheme becoming effective and with effect from Appointed Date, all taxes, duties, cess payable by Transferor Company-III (*including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax Act, Service Tax Act, Goods and Service Tax Act and all other Applicable Laws*), accruing and relating to Transferor Company-III from Appointed Date onwards, including but not limited to advance tax payments, TDS, any refund and interest due thereon on any credits, claims and exemptions shall, for all purposes shall be treated as advance tax payments, TDS, refund and interest due on any such credits, claims and exemptions or refunds, as the case may be, of Transferee Company-II.

30.2 Upon this Scheme becoming effective, all unavailed credits, claims and exemptions, any refunds, interest due there on, benefit of carried forward losses and other statutory benefits, in respect of income tax (*including but not limited to TDS, tax collected at source, advance tax, book and tax losses etc*.), CENVAT credit, customs, value added tax, sales tax, service tax etc. to which Transferor Company-III is entitled to, prior to the period of Appointed Date, shall be available to and vest in Transferee Company-II, without any further act or deed.

30.3 TDS, service tax, GST, if any, deducted by and/or charged to Transferee Company-II under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferee Company-II to Transferor Company-III on account of inter-company transactions pertaining to Remaining Undertaking-I, assessable for the period commencing from Appointed Date shall be deemed to be the advance tax/ service tax/ GST etc. paid by Transferee Company-II and credit for such advance tax/ service tax/ GST etc. shall be allowed to Transferee Company-II notwithstanding that certificates or challans for TDS, service tax, GST etc. being in the name of Transferor Company-III and not in the name of Transferee Company-II. Similarly, TDS, service tax, GST, if any, deducted by and/or charged to Transferor Company-III under the IT Act or any other statute for the time being in force, in respect of the payments made by Transferor Company-III to Transferee Company-II on account of inter-company transactions, assessable for the period commencing from Appointed Date shall be deemed to be the TDS/service tax/GST etc. paid by Transferee Company-II and credit for TDS/service tax/ GST etc. shall be allowed to Transferee Company-II. Upon this Scheme becoming effective, the Transferee Company-II is permitted to file and/ or revise respective tax returns of Transferor Company-III as well (*including but not limited to income* *tax returns, withholding tax returns, TDS certificates, sales tax returns, value added tax returns, service tax returns, GST returns and other tax returns*) for the period commencing on and from Appointed Date, to claim refunds and interest due, if any thereon, credits, exemptions pursuant to provisions of this Scheme, notwithstanding that the time period prescribed for filing/ revision of such return may have elapsed.

30.4 Without prejudice to generality of aforesaid, any concessional or statutory forms under applicable tax laws or local levies issued or received by Transferor Company-III and pertaining to Remaining Undertaking-I if any, in respect of period commencing from Appointed Date shall be deemed to be issued or received in the name of Transferee Company-II and benefit of such forms shall be allowed to Transferee Company-II in the same manner and to the same extent as would have been available to Transferor Company-III.

30.5 The expenses incurred by Transferor Company-III and Transferee Company-II in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company-II in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

30.6 Any refund under tax laws due to Transferor Company-III which is pertaining to its Remaining Undertaking-I consequent to the assessments made on Transferor Company-III and for which no credit is taken in the accounts as on the date immediately preceding Appointed Date shall belong to and be received by Transferee Company-II. The concerned Governmental and Registration Authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company-II upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.

30.7 The income tax pertaining to the Remaining Undertaking-I, if any, paid by the Transferor Company-III on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company-II. The Transferee Company-II shall, after the Effective Date, be entitled to file the relevant returns with the Governmental and Registration Authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, Transferee Company-II shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company-III for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

31. TREATMENT OF EMPLOYEES

31.1 Upon coming into effect of this Scheme:

a) All staff, workmen and employees who are in employment of Transferor Company-III and are pertaining to its Remaining Undertaking-I on Effective Date shall become staff, workmen and employees of Transferee Company-II with effect from Appointed Date on the basis that:

(i) their employment shall be deemed to have been continuous and not interrupted by reasons of the said transfer; and

(ii) terms and conditions of their employment after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the said transfer.

b) It is expressly provided that as far as provident fund, employee state insurance plan scheme, gratuity scheme/ trusts, leave encashment, superannuation scheme, compensated absences, unavailed leave scheme or any other special scheme(s) or fund(s) or trust(s), provisions for benefits created or existing, if any, for the benefit of staff/ workmen/employees Remaining Undertaking-I of Transferor Company-III are concerned, upon coming into effect of the Scheme, Transferee Company-II shall stand substituted for Transferor Company-III for all purposes whatsoever, related to administration or operation of such scheme(s) or fund(s) or trust(s) to the end and intent that all rights, duties, powers and obligation(s) of Transferor Company-III in relation to such scheme(s) or fund(s) or trust(s) shall become those of Transferee Company-II. It is clarified that employment of employees in Remaining Undertaking-I of Transferor Company-III will be treated as having been continuous for the purpose of the aforesaid scheme(s) or fund(s) or trust(s) including for the purposes of payment of any retrenchment compensation and other terminal benefits. Transferee Company-II shall file relevant intimations with the concerned Governmental and Registration Authorities who shall take the same on record and endorse the name of Transferee Company-II for Transferor Company-III. Upon this Scheme becoming effective, all contributions to such scheme(s) or fund(s) or trust(s) created or existing for the benefit of such employees of Remaining Undertaking-I of Transferor Company-III shall be made by Transferee Company-II in accordance with the provisions of such scheme(s) or fund(s) or trust(s) and Applicable Laws.

32. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

32.1 Subject to other provisions contained in this Scheme, all contracts, deeds, understandings, bonds, guarantees, agreements, instruments, writings and benefits of whatsoever nature pertaining to Remaining Undertaking-I to which Transferor Company-III is a party and is subsisting or having effect on Effective Date, shall upon coming into effect of this Scheme, the same shall remain in full force and effect against or in favor of Transferee Company-II and may be enforced by or against Transferee Company-II as fully and effectually as if, instead of Transferor Company-III, Transferee Company-II had been a party thereto or beneficiary or obligee thereto or thereunder.

32.2 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, contractual certificates, insurance covers, clearances, authorities, power of attorney given by, issued to or executed in favor of Transferor Company-III and which are pertaining to its Remaining Undertaking-I or any instrument of whatsoever nature including various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Remaining Undertaking-I granted by any Governmental or Registration Authorities or by any other person, enjoyed or availed by Transferor Company-III shall stand transferred to Transferee Company-II as if the same were originally given by, issued to or executed in favour of Transferee Company-II and Transferee Company-II shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to Transferee Company-II. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges pertaining to Remaining Undertaking-I granted by any Governmental or Registration Authorities or by any other person, or availed by Transferor Company-III are concerned, the same shall vest with and be available to Transferee Company-II on the same terms and conditions as applicable to Transferor Company-III, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Transferee Company-II.

32.3 All resolutions pertaining to Remaining Undertaking-I of Transferor Company-III which are valid and subsisting on Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company-II and if any such resolutions have any upper monetary or any other limits imposed under provisions of the Act, then the said limits shall apply mutatis mutandis to such resolutions and shall constitute the aggregate of the said limits in Transferee Company-II.

33. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

33.1 With effect from Appointed Date and up to and including Effective Date, Transferor Company-III shall be deemed to carry on all the businesses and other incidental matters pertaining to Remaining Undertaking-I for and on account of and in trust for Transferee Company-II with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of Transferee Company-II alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of such Said Assets-3 or such Said Rights and Interests-3 and business undertaking(s) or any part thereof, save and except in each case:

a) If it is in the ordinary course of business of Transferor Company-III as on the date of filing this Scheme with the Tribunal; or

b) If the same is expressly permitted by this Scheme.

33.2 All Said Assets-3 and Said Rights and Interests-3 pertaining to Remaining Undertaking-I of Transferor Company-III accrued to and/or acquired by Transferor Company-III after Appointed Date and prior to Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of Transferee Company-II and shall upon coming into effect of this Scheme and pursuant to provisions of section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company-II to that extent and shall become Said Assets-3 and Said Rights and Interests-3 of Transferee Company-II.

34. SAVING OF CONCLUDED TRANSACTION

34.1 Where any of Said Liabilities-3 pertaining to Remaining Undertaking-I of Transferor Company-III, as on Appointed Date, transferred to Transferee Company-II have been discharged by Transferor Company-III after Appointed Date and prior to Effective Date, such discharge of Said Liabilities-3 shall be deemed to have been for and on account of Transferee Company-II.

34.2 Without prejudice to anything mentioned above or anything contained in this Scheme, transfer and vesting of Remaining Undertaking-I of Transferor Company-III as per this Scheme shall not affect any transactions or proceedings already concluded by Transferor Company-III on or before Appointed Date or after Appointed Date till Effective Date, to the end and intent that Transferee Company-II accepts and adopts all acts, deeds, matters and things made, done and executed by Transferor Company-III as acts, deeds, matters and things made, done and executed by or on behalf of Transferee Company-II.

34.3 All Said Liabilities-3 incurred or undertaken by Transferor Company-III after Appointed Date and prior to Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Transferee Company-II to the extent they are outstanding on Effective Date, shall, upon the coming into effect of this Scheme and pursuant to provisions of section 232 and any other applicable provisions of the Act, shall without any further act, instrument or deed be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in Transferee Company-II and shall become Said Liabilities-3 of Transferee Company-II.

35. CONSIDERATION

35.1 Upon coming into effect of this Scheme, equity and preference shares of the Transferor Company-III held by Transferee Company-II shall, without any further act, instrument or deed, be automatically stand cancelled and be of no effect on and from Effective Date.

35.2 Upon coming into effect of the Scheme, without any further application, act, instrument or deed and upon the transfer and vesting of the Transferor Company-III with and into Transferee Company-II and subject to the provision of clause 35.1 of this Scheme, the Board of the Transferor Company-III and Transferee Company-II after considering the valuation report dated November 14, 2017 issued by M/s B. Chhawchharia & Co., Chartered Accountants having Firm Regn. No. 305123E, have decided that the Transferee Company-II shall issue its shares to the shareholders of the Transferor Company-III, whose name appear in the Register of Members of the Transferor Company-III, as consideration for the Amalgamation in the following manner:

"(a) 2 (Two) equity shares of Rs. 10/- each fully paid-up of the Transferee Company-II for 17 (Seventeen) equity shares of Rs.10/- each of the Transferor Company-III; and

(b) 2 (Two) preference shares of Rs 10/- each fully paid-up of the Transferee Company-II for 17 (Seventeen) preference

shares of Rs.10/- each of the Transferor Company-III."

35.3 In respect of any fractional shares, if any to be issued to equity shareholders and preference shareholders of the Transferor Company-III, the same shall be rounded off to the nearest whole integer.

35.4 Equity shares and preference shares to be allotted by the Transferee Company-II under Clause 35.2 above, shall hereinafter be referred to as **"New Equity Shares-2"** and **"New Preference Shares-1"**, respectively.

35.5 The New Equity Shares-2 and New Preference Shares-1 to be issued in terms hereof shall be subject to the memorandum and articles of association of the Transferee Company-II;

35.6 The New Equity Shares-2 shall rank, for dividend, voting rights and for all other benefits and in all other respects, pari-passu with the existing equity shares of the Transferee Company-II with effect from the date of allotment of New Equity Shares-2; and

35.7 The issue and allotment of New Equity Shares-2 and New Preference Shares-1, pursuant to Clause 35.2 above is an integral part of this Scheme. The approval of this Scheme by the members of the Transferee Company-II shall be deemed to be due compliance with all applicable provisions of the Act including but not limited to Section 42, 55, 62(1)(c) of the Act and other applicable provisions of the Act.

36. ACCOUNTING TREATMENT

36.1 Upon the Scheme becoming effective and with effect from Appointed Date, Amalgamation shall be accounted as per 'The Pooling Interest Method' prescribed under Indian Accounting Standard 103 Business Combinations specified by the Companies (Indian Accounting Standards) Rules, 2014 notified by the Central Government and as amended from time to time and issued by the Institute of Chartered Accountants of India.

36.2 Transferee Company-II shall record all assets and liabilities pertaining to the Remaining Undertaking-I, as appearing in the books of Transferor Company-III at the close of business of the day immediately preceding Appointed Date, vested in it pursuant to this Scheme, at their respective carrying values.

36.3 Inter-company balances and investments between the Remaining Undertaking-I of the Transferor Company-III and Transferee Company-II, if any, shall stand cancelled.

36.4 The difference between amount recorded as share capital issued along with any additional consideration in the form of cash or other assets and the amount of share capital of Transferor Company-III and Transferee Company-II shall be transferred to capital reserve.

36.5 Transferee Company-II shall record in its books of accounts, all transactions pertaining to Remaining Undertaking-I of Transferor Company-III in respect of Said Assets-3 and Said Liabilities-3, income and expenses, from Appointed Date to Effective Date.

36.6 If, at the time of the Amalgamation, the Transferor Company-III and Transferee Company-II have conflicting accounting policies, the accounting policies of Transferee Company-II should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with the applicable accounting standards.

36.7 Notwithstanding the above, the Board of Directors of the Transferee Company-II is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

37. CLUBBING OF AUTHORIZED SHARE CAPITAL

37.1 Upon the Scheme coming into effect and with effect from Appointed Date, the authorized share capital of Transferor Company-III as on Effective Date shall stand transferred to and be added with the authorized share capital of Transferee Company-II, without any liability for payment of any additional fees (except as may be required as per the applicable provisions of the Act) or stamp duty or any other charges under any Applicable Laws for time being in force.

37.2 Consequent to transfer of the existing authorized share capital of Transferor Company-III on Effective Date in accordance with Clause 37.1 above, Clause V of the memorandum of association of Transferee Company-II shall be substituted to read as follows:

"The Authorized Share Capital of the Company is Rs. 105,00,00,000/- (Rupees One Hundred Five Crore only) divided into 82,00,00,000 (Eighty Two Lakhs) equity shares of Rs. 10/- (Rupees Ten) each and 23,00,00,000 (Twenty Three Lakhs) preference shares of Rs. 10/- (Rupees Ten) each."

38. COMPLIANCES

38.1 The Transferee Company-II will make an application for approval, if applicable, or filings to Reserve Bank of India/ authorized dealer or other appropriate Governmental and Registration Authorities, wherever required, for their approval under the provisions of FEMA for issue and allotment of shares in the Transferee Company-II to the non-resident equity shareholders of the Transferor Company-III in accordance with the provisions of the Scheme and the Transferee Company-II shall also file all relevant intimations, if required, with the Reserve Bank of India/ authorized dealer or any Governmental and Registration Authority in this regard. Such application for approval, if required, shall be made by the Resulting Company within 30 (Thirty) days of the Record Date.

38.2 The approval to this Scheme under sections 230-232 and other applicable provisions of the Act by the shareholders and/or creditors of the Transferor Company-III and Transferee Company-II shall be deemed to have the approval of the shareholders and/or creditors, as the case may be, under the applicable provisions of the Act, including but not limited to sections 4, 13, 14, 61 and 64 of the Act and no separate procedure is required to be carried out.

PART V

39. APPLICATION TO TRIBUNAL

39.1 Companies shall make applications under sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking approval of the Scheme and for dissolution of Transferor Company-I, Transferor Company-II and Transferor Company-III without following the process of winding up.

40. MODIFICATION OR AMENDMENT TO THE SCHEME

40.1 Subject to approval by the Tribunal, Board of each of Companies may assent to any modifications / amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the Tribunal or any Governmental and Registration Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of the Tribunal or any Governmental and Registration Authority of any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.

40.2 Further, it is clarified that the initial consent of the shareholders and creditors (*both secured and unsecured*) of Companies to this Scheme shall in itself be deemed to be sufficient to authorize the operation of Clause 40.1 of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

41. REVOCATION, WITHDRAWAL OF THIS SCHEME

41.1 Subject to order of the Tribunal, Board of Companies shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage including, if: (i) this Scheme is not being sanctioned by the Tribunal; (ii) if any of the consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not obtained or for any other reason as Board of Companies may deem fit; (iii) in case any condition or alteration imposed by the Tribunal, Governmental and Registration Authority, shareholders and creditors of the Companies is not acceptable to the Board of the Companies; and (iv) Board of any of Companies are of view that upon coming into effect of this Scheme, in terms of the provisions of this Scheme or filing of the order with any Governmental and Registration Authority can have adverse implication on all or any of the Companies. On revocation, withdrawal, or cancellation, this Scheme shall stand revoked, withdrawn or cancelled, as the case may be, and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter- se between Companies or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with Applicable Laws and in such case, each party shall bear its own costs unless otherwise mutually agreed.

41.2 If any part of this Scheme is held invalid or is ruled illegal by the Tribunal or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of Companies that such part, in the opinion of the Board of any Companies, shall be severable from the remainder of this Scheme and the remaining part of this Scheme shall not be affected thereby, unless the deletion of such part, in opinion of Board of either of Companies, shall cause this Scheme to become materially adverse to either of Companies in which case Companies shall attempt to bring about a modification in this Scheme, which will best preserve the benefits and obligations of this Scheme for Companies, including but not limited to such part.

42. CONDITIONALITY OF THE SCHEME

42.1 This Scheme is and shall be conditional upon and subject to:

a) Transferee Company-I having received observation letters / no-objection letters from the Stock Exchanges in respect of the Scheme, pursuant to regulation 37 of the Listing Regulations read with SEBI Circulars and Regulation 11 and 94 of the Listing Regulations;

b) The approval of the public shareholders of the Transferee Company-I in accordance with the provisions of the SEBI Circulars issued in this behalf, if required. Such approval of public shareholders will be obtained through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and the Scheme shall be acted upon only if the votes casted by public shareholders in favor of the Scheme are more than the number of votes casted by public shareholders against it;

c) the approval by the requisite majority of the respective shareholders and creditors of the Companies as directed by the Tribunal under section 230 of the Act and requisite sanction and orders of the Tribunal being obtained; and

d) Certified copy of order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies.

43. MISCELLANEOUS

43.1 In case any doubt or difference or issue shall arise between Companies or any of their shareholders, creditors, employees or persons entitled to or claiming any right to any shares in any of Companies, as to the construction of this Scheme or as to any account, valuation or apportionment to be taken or made in connection herewith or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled among the Board of the respective Companies, and the decision arrived at therein shall be final and binding on all concerned parties.

44. DIVIDEND

44.1 With effect from Appointed Date and up to and including Effective Date, Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period(s) prior to Effective Date.

44.2 Until this Scheme becomes effective, shareholders of respective Companies shall continue to enjoy their existing rights under respective articles of association of such Companies including their right to receive dividend.

44.3 It is however clarified that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any shareholder of Companies to demand or claim any dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Companies and subject, wherever necessary, to the approval of the shareholders of Companies, respectively.

45. COST, CHARGES AND EXPENSES

45.1 All costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by Transferee Company-I.

For Blackie & Son (Calcutta) Private Limited ___________ **(Authorized Signatory)**	**For Nirja Publishers & Printers Private Limited** ___________ **(Authorized Signatory)**
For DS Digital Private Limited ___________ **(Authorized Signatory)**	**For Safari Digital Education Initiatives Private Limited** ___________ **(Authorized Signatory)**
For S Chand And Company Limited ___________ **(Authorized Signatory)**	

Schedule-I	
Table depicting details of assets and liabilities of the Demerged Undertaking of Demerged Company-I to be transferred to Resulting Company as on April 01, 2017:	
Particulars	**Amount (in Rs)**
Assets	
Non-current Assets	
Fixed assets	
Tangible assets	81,431,766
Intangible assets	146,577,266
Intangible assets under development	18,384,722
Non-current investments	
Deferred tax assets (net)	97,474,119
Long-term loans and advances	2,427,684
Current Assets	
Inventories	7,571,718
Trade receivables	141,566,073
Cash and cash equivalents	5,197,639
Short-term loans and advances	14,018,899
Total Assets	**514,649,885**
Liabilities	
Non- Current Liabilities	
Long term Borrowings	70,380,315
Long-term provisions	4,633,119
Current Liabilities	
Short-term Liabilities	27,985,552
Trade payables	134,749,343
Other current liabilities	39,159,440
Short-term provisions	1,516,484
Total Liabilities	**278,424,252**
Reserve & Surplus	**(283,283,945)**

Schedule-II	
Table depicting details of assets and liabilities of the Demerged Undertaking of Demerged Company-II to be transferred to Resulting Company as on April 01, 2017:	
Particulars	**Amount (in Rs)**
Assets	
Non-current Assets	
Fixed Assets	
Tangible assets	1,102,134
Intangible assets	43,917,124
Intangible assets under development	634,000
Non-current investments	
Other non-current assets	200,000
Long-term loans and advances	
Current Assets	
Inventories	4,661,663
Trade receivables	30,084,808
Cash and cash equivalents	
Short-term loans and advances	13,579
Other current assets	
Total Assets	**80,613,307**
Liabilities	
Non- Current Liabilities	
Long Term Borrowings	56,976,323
Other Long term liabilities	
Long-term provisions	2,206,048
Current Liabilities	
Trade payables	21,219,800
Other current liabilities	2,612,087
Short-term provisions	1,799
Total Liabilities	**83,016,057**
Reserve & Surplus	**(2,402,750)**

To,
The Board of Directors
S Chand and Company Limited
A-27, Mohan Co-operative Industrial Estate
New Delhi 110044

Sub: Report on Valuation of Shares and recommendation of Share Exchange Ratio for the proposed Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Pvt Ltd, Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd, Safari Digital Education Initiatives Pvt Ltd and S Chand and Company Ltd

Ref: Our Report on Valuation of Shares and recommendation of Share Exchange Ratio dated November 14, 2017, clarifications on/addendums to the said Report vide letter dated January 19, 2018, January 04, 2019 and March 15, 2019

Dear Sirs,

There is a proposal for proposed Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Pvt Ltd, Nirja Publishers & Printers Pvt Ltd, DS Digital Pvt Ltd, Safari Digital Education Initiatives Pvt Ltd and S Chand and Company Ltd. (hereinafter referred to as "the Proposed Scheme"/ "the Proposed Scheme of Arrangement").

We the undersigned had issued a Report on Valuation of Shares and recommendation of Share Exchange Ratio dated November 14, 2017 (hereinafter referred to as "the Original Valuation Report") in connection with the aforesaid Scheme of Arrangement and the same was filed by S Chand and Company Ltd, in terms of the applicable provisions of the SEBI (LODR) Regulations, 2015 and SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017, with the Stock Exchanges - namely BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

As per the queries raised and clarifications sought by the stock exchanges from time to time, inter-alia, on the Original Valuation Report, we had issued clarification/ addendum letters dated January 19, 2018, January 04, 2019 and March 15, 2019 (hereinafter referred to as "the Addendum Letters".

The Company has received some more clarification from the Stock Exchange on the Original Valuation Report and Addendum Letters. In order to avoid confusion, we are compiling our all clarifications/ addendum and now issuing such complied Report on Valuation of Shares and recommendation of Share Exchange Ratio dated June 12, 2019. Our Report dated June 12, 2019 should be read in continuation with the Original Valuation Report and Addendum Letters thereto.

Accordingly, the Report on Valuation of Shares and recommendation of Share Exchange Ratio dated June 12, 2019 is enclosed herewith.

Thanking you,

For **B. Chhawchharia & Co.**
Chartered Accountants
Firm Registration No.: 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date: June 12, 2019
Place: New Delhi

Encl: a.a.

The Board of Directors
S Chand and Company Limited
A-27, Mohan Co-operative Industrial Estate
New Delhi – 110 044

Dear Sir(s),

Sub: Report on valuation of shares and recommendation of share exchange ratio

1. Our Engagement

We, B. Chhawchharia & Co., Chartered Accountants, have been mandated by the management of S Chand and Company Limited (hereinafter referred as "S Chand" or "the Company") to determine the fair value per equity share as per the Internationally Accepted Valuation Principles as on the valuation date i.e. 31st March, 2017 and to recommend the share exchange ratio for the following companies:

a) S Chand and Company Limited **("S Chand")**

b) Blackie & Son (Calcutta) Private Limited **("BSPL")**

c) Nirja Publishers & Printers Private Limited **("NPPL")**

d) DS Digital Private Limited **("DDPL")** – Education Business and Full Business

e) Safari Digital Education Initiatives Private Limited **("SDPL")** – Education Business and Full Business

2. Purpose of this report

2.1 We have been given to understand that S Chand is proposing to restructure the Group by way of a Composite Scheme of Arrangement w.e.f. 1st April, 2017, wherein:

a) BSPL and NPPL shall be amalgamated with S Chand

b) Education Businesses of DDPL and SDPL shall be demerged into S Chand on a going concern basis

c) DDPL post demerger of its education business shall be amalgamated with SDPL

2.2 The valuations have been carried out for the purposes of determination of relative fair value per share of the above mentioned companies as on 31st March, 2017 pursuant to the proposed Composite Scheme of Arrangement under the Companies Act, 2013 and subject to SEBI regulations.

2.3 The report also recommends the share exchange ratio based upon the relative fair values of the companies in respect of the shares to be issued as consideration under the proposed Composite Scheme of Arrangement.

3. About the companies

3.1 S Chand is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. S Chand is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books. Equity shares of S Chand are listed on Bombay Stock Exchange and National Stock Exchange.

3.2 BSPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. BSPL is earning its revenue from royalty income and is a wholly owned subsidiary of S Chand.

3.3 NPPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. NPPL is engaged in the business of manufacturing paper and paper products, publishing, printing and reproduction of recorded media and is a wholly owned subsidiary of S Chand.

3.4 DDPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. DDPL is engaged in the business of providing digital educational services and is a subsidiary company of S Chand.

3.5 SDPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. SDPL is engaged in the business of rendering digital education. S Chand and NPPL are holding 60% and 40% of the share capital of SDPL and accordingly, SDPL is an indirect wholly owned subsidiary of S Chand.

4. Information and documents relied upon

4.1 For the purpose of this valuation report, we have relied upon the following information and documents made available to us by S Chand

a) Presentation on the proposed restructuring

b) Draft Composite Scheme of Arrangement

c) Copies of Audited Financial Statements for the years ended 31st March, 2016 and 31st March, 2017 of all the companies

d) Division wise financial statements of DDPL and SDPL as on 31st March, 2017

e) Projected Financial statements for next 5 years (FY 2017-18 to FY 2021-22)

f) Such other information and explanations as was required and which have been provided by the representatives of S Chand

4.2 For our analysis and independent checks, we have relied on published and secondary sources of data available in the public domain and which can be generally relied upon.

5. Valuation Methodology

5.1 As per the Internationally Accepted Valuation Principles, any of the following methodologies for valuation of equity shares may be used depending upon the company dynamics:

a) Income Approach
- Discounted Free Cash Flow Method
- Profit Earning Capacity Value Method

b) Market Approach
- Market Price Method
- Comparable Multiple Method

c) Assets based Approach
- Net Assets Value Method. Under this method, the value of the assets can be taken at book value or it may be taken at fair values.

5.2 The fair value of equity shares have to be determined using a particular method or a weighted average of combination of methods after taking into consideration all the factors and the valuation principles mentioned above.

5.3 In the given context, after considering all the factors, we are of the view that it is appropriate to determine the fair value of the share of S Chand by considering a weighted average of Discounted Cash Flow Method **("DCF Method")** and Net Assets Value Method **("NAV Method")** and Market Price Method **("Market Approach")** and fair value of share of all other companies by considering a weighted average of DCF Method and NAV Method.

5.4 DCF Method

a) Under DCF approach, the future free cash flows of the company/division are discounted to the valuation date to arrive at the present value of the cash flows of the business or capitalized using a discount rate depending on the capital structure of the company. This approach also takes into account the value of the business in perpetuity by the calculation of the terminal value using the perpetuity growth method.

b) The mechanism involved to calculate the fair value per equity share under this method is enumerated below:
- The profit after taxes for future years are adjusted for non-cash items, changes in working capital, deployment of funds in fixed assets, changes in borrowings, etc. to arrive at the free cash flows available with the business for its shareholders.
- The cash flows are then discounted using a discount rate determined using the Capital Asset Pricing Mechanism.
- The present value of the terminal value of the business is calculated assuming a perpetual growth rate and discounting the same using the discount rate used above.
- The total value available for the shareholders reflect the value of the business which is divided by the total number of equity shares to arrive at the value per share

5.5 NAV Method

a) Under NAV method, the fair value per equity share is determined based on the net assets of the company/division available to the equity shareholders. The same can be calculated either using the book values or the market value of the assets and liabilities. Keeping in mind the nature of the business and the purpose of valuation, we have used the book value to determine the fair value per share under this method.

b) The mechanism involved to calculate the fair value per equity share under this method is enumerated below:
- The net assets of the business are computed as on the valuation date by deducting from the total assets the value of the total liabilities.
- The net asset value is then divided by the total number of equity shares to arrive at the value per share.

5.6 Market Method

The Market method is only applicable for S Chand, being a listed company. Since all other companies are unlisted, this method is not applicable. In terms of chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the relevant for determining the price for allotment was November 17, 2017. The equity shares to be allotted pursuant to the Scheme of Arrangement shall not be allotted at a price lower than the higher of the following:

a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date.

b) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the relevant date.

5.7 The fair value per share derived under DCF method, under NAV method and under Market method is given suitable weights based on various factors and nature of the business and accordingly, fair value per share on the valuation date has been arrived for.

6. Valuation Analysis

6.1 We have assigned a weight of 4 to the fair value determined using the DCF method, a weight of 1 to the fair value determined using the NAV method and a weight of 1 to the fair value determined using the Market Price method to arrive at the value per equity share as on the valuation date in respect of S Chand.

6.2 For all other unlisted companies, we have assigned a weight of 3 to the fair value determined using the DCF method and a weighted of 1 to the fair value determined using the NAV method to arrive at the value per equity share as on the valuation date.

6.3 For the purposes of determination of fair value per share under DCF method, following assumptions and calculations have been used:

- Discount Factor i.e. Cost of equity has been determined by applying the Capital Asset Pricing Model (CAPM) which is expressed as follows:

  Ke = Rf +B (Rm - Rf), where

  Ke = Cost of equity

  Rf = Risk free rate of return, taken at 7%

  B = Beta, a measure of risk associated with the company, taken at 1.2

  Rm = Return on market, taken at 13%

  Thus, Ke has been determined at 14% using the above formula.
- The terminal values have been determined using a terminal growth rate of 11% for S Chand and 7% for other companies.

6.4 The fair value per share as on 31st March, 2017 for various companies are summarized in the following table:

Name of the company	Annexure reference	Face Value per share (Rs.)	Fair Value per share (Rs.)
S Chand and Company Limited	I	5	648.33
Blackie & Son (Calcutta) Private Limited	II	1000	384680.00
Nirja Publishers and Printers Private Limited	III	10	77048.00
DS Digital Private Limited – Education Business	IV	10	11.14
DS Digital Private Limited – Full Business	V	10	11.98
Safari Digital Education Initiatives Private Limited – Education Business	VI	10	8.28
Safari Digital Education Initiatives Private Limited – Full Business	VII	10	15.40

7. Computation of Fair Share exchange ratio

7.1 The share exchange ratios have been recommended based on the relative fair values of the shares determined above.

7.2 Since BSPL and NPPL are wholly owned subsidiaries of S Chand, no shares shall be issued by S Chand upon amalgamation of both the companies with the company.

7.3 Since the shares of SDPL are held by S Chand and NPPL (which is getting amalgamated with S Chand under the Composite Scheme of Arrangement), no shares shall be issued by S Chand upon demerger of Education Business of SDPL into the company.

7.4 Upon the demerger of Education Business of DDPL into S Chand:.

Valuation Approach	**S Chand and Company Ltd.**		**DS Digital Pvt. Ltd. – Education Business**	
	Value per share having face value Rs. 5 each (Rs.)	**Weight**	**Value per share having face value Rs. 10 each (Rs.)**	**Weight**
Asset Approach	217	1	3.31	1
Income Approach	794	4	13.75	3
Market Approach	497	1	-	-
Relative value per share	**648.20**		**11.14**	
Exchange Ratio (rounded off)			**1:117**	

RATIO:

1 (One) equity share of S Chand and Company Ltd. Of Rs. 5 each fully paid up for every 117 (One Hundred Seventeen) equity shares of DS Digital Pvt. Ltd. of Rs.10 each fully paid up.

7.5 Upon the amalgamation of DDPL into SDPL post demerger of education businesses into S Chand:

Valuation Approach	**Safari Digital Education Initiatives Pvt. Ltd. (post demerger)**		**DS Digital Pvt. Ltd. (post demerger)**	
	Value per share having face value Rs. 10 each (Rs.)	**Weight**	**Value per share having face value Rs. 10 each (Rs.)**	**Weight**
Asset Approach	8.88	1	(0.64)	1
Income Approach	6.52	3	1.33	3
Market Approach	-	-	-	-
Relative Value per share	**7.12**		**0.84**	
Exchange Ratio (rounded off)			**2:17**	

a) 2 (Two) equity shares of Rs. 10 each fully paid up of SDPL should be allotted to the equity shareholders of DDPL in lieu of 17 (Seventeen) equity shares of Rs.10 each fully paid up of DDPL; and

b) 2 (Two) preference shares of Rs. 10 each fully paid up of SDPL should be allotted to the preference shareholders of DDPL in lieu of 17 (Seventeen) preference shares of Rs.10 each fully paid up of DDPL,

Since the preference shares are convertible into equity in the ratio of 1:1, the same has been treated at par with equity shares for the above computation.

8. Scope Limitation

This valuation is subject to the scope of our engagement and assumptions, exclusions, limitations and disclaimers as below:

a) The valuation report is based on the information and documents provided to us and representations made by the representatives of the company. We have not audited or reviewed any data or projections provided to us. Accordingly, we do not assume any responsibility for any error(s) in the information furnished to us.

b) By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement.

c) This valuation report has been prepared solely for the purposes stated herein and should not be relied upon for any other purpose. This document is strictly confidential and, save to the extent required by applicable law and/or regulations, must not be released to any third party without our express written consent which is at our sole discretion.

For **B.Chhawchharia & Co.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date : 12th June, 2019
Place : New Delhi

UDIN: 19529082AAAADT6510

Annexure I

VALUATION OF EQUITY SHARES OF M/S S CHAND AND COMPANY LIMITED

(Amount Rs. in millions)

Table 1: Valuation as per DCF Method

Particulars	2017	2018	2019	2020	2021	2022
Net Profit After Taxation	582.06	921.66	1,190.50	1,471.52	1,788.67	2,149.43
Depreciation & other non cash items	330.06	360.48	375.99	393.12	412.03	432.98
Changes in Working Capital	(772.12)	(369.87)	(348.54)	(501.33)	(880.28)	(1,004.66)
Addition to Fixed Assets	(1,706.60)	(472.96)	(405.29)	(285.29)	(330.29)	(345.29)
Increase in Share capital	-	3,138.90	-	-	-	-
Increase/(Decrease) in borrowings	1,976.54	(2,500.86)	(259.60)	(198.85)	(194.87)	(141.89)
Net Cash Flow Available for distribution	409.95	1,077.34	553.06	879.17	795.27	1,090.57
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	409.95	943.38	424.07	590.30	467.57	561.46

Cumulative Present Value Primary Period	3,396.73
Present value of Terminal value	19,475.76
Total Present Value	22,872.49
Add: Long Term Investments as on 31st March, 2017	442.45
Add: Cash and cash equivalents as on 31st March, 2017	375.41
Enterprise value	23,690.35
No of Shares	29.84
Value per Equity Share (Rs)	**794**

Table 2: Valuation as per NAV Method

Particulars	**Amount (Rs.in millions)**
Total Value of Assets	13,216.00
Less: Liabilities	6,752.98
Net Assets Value	6,463.02
No. of Shares	29.84
Value per equity share (in Rs.)	**217**

Table 3: Valuation as per Market Price Method

1. Relevant date for determining the price of Allotment : **November 17, 2017**
2. The highest trading volume in respect of the Equity Shares of the Company had been recorded on the NSC during the twenty six weeks immediately preceding the relevant Date. Hence, NSE is the relevant exchange
   a) The average of the weekly high and low of the volume weighted average price is of the equity shares quoted on the NSE during the twenty six weeks preceding the relevant date is mentioned below:

Preceding week	Date	Volume(No. of shares traded)	Highest Price(in Rs.)	Lowest price (in Rs.)	Volume Weighted average price (In Rs.)	Volume weighted average of week
26th Preceding week	22-May-17	276,778.00	597.60	576.00	586.39	560.61
	23-May-17	189,220.00	594.85	566.40	573.01	
	24-May-17	96,736.00	576.00	550.00	563.97	
	25-May-17	315,172.00	557.50	522.20	534.70	
	26-May-17	787,640.00	612.00	527.20	586.51	

Preceding week	Date	Volume(No. of shares traded)	Highest Price(in Rs.)	Lowest price (in Rs.)	Volume Weighted average price (In Rs.)	Volume weighted average of week
25th Preceding week	29-May-17	205,898.00	614.75	583.10	597.54	584.14
	30-May-17	77,340.00	584.65	560.00	570.84	
	31-May-17	94,929.00	584.80	565.05	572.28	
	1-Jun-17	120,614.00	585.35	566.45	577.28	
	2-Jun-17	66,896.00	578.40	561.00	570.73	
24th Preceding week	5-Jun-17	83,719.00	571.85	562.05	565.54	558.11
	6-Jun-17	51,575.00	567.50	557.00	561.94	
	7-Jun-17	68,660.00	563.95	552.00	555.17	
	8-Jun-17	69,596.00	558.45	543.10	550.67	
	9-Jun-17	499,369.00	568.50	540.00	554.57	
23rd Preceding week	12-Jun-17	542,913.00	587.50	550.00	568.01	547.73
	13-Jun-17	225,639.00	561.95	541.55	550.96	
	14-Jun-17	70,698.00	552.20	534.25	543.59	
	15-Jun-17	184,729.00	544.00	529.00	536.22	
	16-Jun-17	128,158.00	537.50	521.55	527.44	
22nd Preceding week	19-Jun-17	109,823.00	533.00	516.25	523.75	515.35
	20-Jun-17	128,822.00	521.00	500.10	508.54	
	21-Jun-17	312,749.00	533.95	502.00	519.71	
	22-Jun-17	78,799.00	524.95	505.00	514.75	
	23-Jun-17	112,059.00	516.00	500.90	506.94	
21st Preceding week	27-Jun-17	82,301.00	508.00	485.00	493.78	482.23
	28-Jun-17	139,250.00	493.35	473.10	482.87	
	29-Jun-17	101,017.00	495.70	474.95	485.26	
	30-Jun-17	111,567.00	477.40	467.90	470.68	
20th Preceding week	3-Jul-17	103,134.00	489.40	470.00	478.84	489.79
	4-Jul-17	54,171.00	491.40	476.10	482.71	
	5-Jul-17	66,152.00	485.00	473.75	478.72	
	6-Jul-17	182,073.00	503.50	478.00	493.82	
	7-Jul-17	208,263.00	510.95	483.00	500.83	
19th Preceding week	10-Jul-17	14,947.00	502.00	470.00	494.21	516.98
	11-Jul-17	911,763.00	554.80	494.00	531.98	
	12-Jul-17	244,301.00	548.90	525.00	539.12	
	13-Jul-17	157,662.00	546.90	532.10	539.74	
	14-Jul-17	170,650.00	546.00	504.40	525.78	
18th Preceding week	17-Jul-17	62,511.00	529.00	511.10	518.40	528.74
	18-Jul-17	58,706.00	517.05	508.05	511.56	
	19-Jul-17	158,805.00	543.90	509.55	530.44	
	20-Jul-17	75,138.00	543.05	527.05	535.36	
	21-Jul-17	138,497.00	554.00	535.00	545.91	

Preceding week	Date	Volume(No. of shares traded)	Highest Price(in Rs.)	Lowest price (in Rs.)	Volume Weighted average price (In Rs.)	Volume weighted average of week
17th Preceding week	24-Jul-17	122,521.00	544.75	530.10	537.75	523.82
	25-Jul-17	63,521.00	538.00	520.05	531.43	
	26-Jul-17	72,752.00	536.50	519.35	525.94	
	27-Jul-17	35,639.00	528.80	511.25	518.95	
	28-Jul-17	46,176.00	518.90	502.20	509.89	
16th Preceding week	31-Jul-17	96,572.00	509.90	500.05	504.09	498.76
	1-Aug-17	43,840.00	508.00	497.00	501.99	
	2-Aug-17	36,079.00	510.80	496.00	503.76	
	3-Aug-17	28,809.00	501.05	485.00	493.43	
	4-Aug-17	70,737.00	504.00	484.75	495.73	
15th Preceding week	7-Aug-17	53,149.00	503.00	492.90	496.61	475.68
	8-Aug-17	33,637.00	498.00	486.00	491.90	
	9-Aug-17	30,152.00	488.85	476.10	482.83	
	10-Aug-17	42,651.00	479.00	448.40	463.24	
	11-Aug-17	97,706.00	474.00	425.45	454.75	
14th Preceding week	14-Aug-17	43,063.00	490.00	469.00	480.16	493.14
	16-Aug-17	128,877.00	516.60	484.55	505.32	
	17-Aug-17	26,791.00	511.45	500.00	506.12	
	18-Aug-17	50,417.00	503.00	495.10	500.40	
13th Preceding week	21-Aug-17	40,443.00	509.00	485.00	499.78	482.02
	22-Aug-17	100,919.00	487.20	463.65	477.00	
	23-Aug-17	75,578.00	478.90	459.15	464.25	
	24-Aug-17	117,071.00	477.00	460.00	471.95	
12th Preceding week	28-Aug-17	81,039.00	487.00	472.85	481.46	480.86
	29-Aug-17	46,908.00	487.90	471.50	484.06	
	30-Aug-17	24,686.00	495.00	475.20	486.67	
	31-Aug-17	37,972.00	490.95	469.00	475.04	
	1-Sep-17	106,277.00	489.50	473.95	481.79	
11th Preceding week	4-Sep-17	30,430.00	488.00	471.50	481.44	483.82
	5-Sep-17	38,204.00	495.00	482.00	489.85	
	6-Sep-17	26,307.00	492.00	480.00	486.72	
	7-Sep-17	66,921.00	487.75	472.00	480.68	
	8-Sep-17	34,285.00	482.75	471.10	477.78	
10th Preceding week	11-Sep-17	35,476.00	488.00	475.00	480.74	475.58
	12-Sep-17	68,312.00	483.90	473.10	479.27	
	13-Sep-17	29,822.00	480.05	470.10	476.05	
	14-Sep-17	24,059.00	478.00	466.20	470.42	
	15-Sep-17	96,205.00	483.00	460.60	474.28	

Preceding week	Date	Volume(No. of shares traded)	Highest Price(in Rs.)	Lowest price (in Rs.)	Volume Weighted average price (In Rs.)	Volume weighted average of week
09th Preceding week	18-Sep-17	34,712.00	483.00	474.10	477.47	467.92
	19-Sep-17	43,751.00	481.00	471.25	477.63	
	20-Sep-17	20,956.00	478.95	470.10	473.15	
	21-Sep-17	33,558.00	473.90	465.00	469.28	
	22-Sep-17	52,542.00	465.90	451.00	458.20	
08th Preceding week	25-Sep-17	31,337.00	461.95	440.00	445.59	444.48
	26-Sep-17	134,661.00	448.00	428.50	433.84	
	27-Sep-17	104,938.00	445.50	431.00	439.69	
	28-Sep-17	49,277.00	459.00	437.05	449.68	
	29-Sep-17	52,267.00	461.45	450.00	455.11	
07th Preceding week	3-Oct-17	83,103.00	471.90	457.00	464.93	467.73
	4-Oct-17	17,387.00	466.10	456.10	463.37	
	5-Oct-17	22,462.00	463.40	455.95	458.54	
	6-Oct-17	123,694.00	484.70	457.05	476.91	
06th Preceding week	9-Oct-17	29,091.00	484.00	469.55	476.01	470.02
	10-Oct-17	19,466.00	480.00	468.00	473.55	
	11-Oct-17	19,994.00	479.90	464.40	473.25	
	12-Oct-17	20,644.00	470.95	460.00	464.03	
	13-Oct-17	58,120.00	478.20	460.15	472.09	
05th Preceding week	16-Oct-17	14,542.00	473.00	457.65	464.76	464.09
	17-Oct-17	14,006.00	466.80	461.00	463.59	
	18-Oct-17	17,680.00	469.95	460.10	463.17	
	19-Oct-17	13,471.00	470.00	460.25	465.00	
04th Preceding week	23-Oct-17	675,153.00	468.00	453.50	455.15	468.17
	24-Oct-17	385,759.00	489.90	468.00	477.72	
	25-Oct-17	61,677.00	480.00	471.20	475.09	
	26-Oct-17	25,440.00	475.95	468.05	472.47	
	27-Oct-17	83,500.00	486.25	476.20	481.18	
03rd Preceding week	30-Oct-17	72,813.00	492.10	471.50	486.45	488.97
	31-Oct-17	20,862.00	485.85	478.05	481.43	
	1-Nov-17	334,555.00	514.50	476.10	492.16	
	2-Nov-17	61,216.00	507.90	485.55	496.50	
	3-Nov-17	44,907.00	495.20	481.05	487.20	
02nd Preceding week	6-Nov-17	33,381.00	489.00	478.00	482.98	478.79
	7-Nov-17	27,504.00	490.00	474.00	480.73	
	8-Nov-17	16,496.00	483.00	471.00	476.03	
	9-Nov-17	10,254.00	478.95	472.50	474.60	
	10-Nov-17	19,536.00	484.00	475.20	479.82	

Preceding week	Date	Volume(No. of shares traded)	Highest Price(in Rs.)	Lowest price (in Rs.)	Volume Weighted average price (In Rs.)	Volume weighted average of week
01st Preceding week	13-Nov-17	17,957.00	481.00	472.50	475.07	473.66
	14-Nov-17	7,702.00	479.00	470.00	473.04	
	15-Nov-17	12,561.00	474.95	465.00	470.62	
	16-Nov-17	13,377.00	481.00	467.40	473.82	
	17-Nov-17	17,123.00	482.00	470.55	476.70	
Average of Weekly High & Low of the Volume Weighted Average Price of preceding Twenty Six Weeks (in Rs. Per share)						496.97
Average of Weekly High & Low of the Volume Weighted Average Price of preceding Two Weeks (in Rs. Per share)						476.23
Value of Share shall be higher of the above						496.97

Table 4: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	794	4	3176
Value as per NAV Method (Table 2)	217	1	217
Value as per Market Price Method (Table 3)	497	1	497
Total		6	3889
Value Per Share (Rs.)		**648.21**	

Annexure II

VALUATION OF EQUITY SHARES OF M/S BLACKIE & SONS (CALCUTTA) PRIVATE LIMITED

Table 1: Valuation as per DCF Method **(Rs. in Lacs)**

Particulars	2017	2018	2019	2020	2021	2022
Net Profit / (Loss) After Taxation	11.54	19.23	23.06	26.52	30.49	35.07
Depreciation & other non cash items	3.95	1.09	-	-	-	-
Changes in Working Capital	(0.84)	(25.65)	(20.70)	(23.81)	(27.38)	(31.48)
Net Cash Flow available for distribution	14.65	-5.32	2.30	2.71	3.12	3.59
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	14.65	-4.67	1.77	1.83	1.85	1.86

Cumulative Present Value	17.29
Present value of Terminal value	48.78
Total Present Value	66.07
Add: Cash and cash equivalents as on 31st March, 2017	19.50
Add: Long Term Investments as on 31st March, 2017	453.34
Enterprise Value	538.92

Calculation of value per share	
Enterprise Value (Rs.)	53,891,685
No of Shares	149
Value per Equity Share (Rs)	**361,689**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs. in Lacs)
Total Value of Assets	684.91
Less: Liabilities	8.96
Net Assets Value	675.94
Calculation of value per share	
Net Assets Value (Rs.)	67,594,246
No. of Shares	149
Value per equity share (in Rs.)	**453,653**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount (Rs.)
Value as per DCF Method (Table 1)	361,689	3	1,085,067
Value as per NAV Method (Table 2)	453,653	1	453,653
Total		**4**	**1,538,720**
Value Per Share (Rs.)			**384,680**

Annexure III

VALUATION OF EQUITY SHARES OF M/S NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED

Table 1: Valuation as per DCF Method **(Rs. in Lacs)**

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit / (Loss) After Taxation	385.70	580.39	696.21	769.76	916.77	1,080.71
Depreciation & other non cash items	34.68	60.18	68.94	67.05	65.35	65.81
Changes in Working Capital	373.43	348.83	(156.00)	(244.43)	(279.71)	(322.68)
Addition/Sale of Fixed Assets	-	(500.00)	(50.00)	(50.00)	(70.00)	(50.00)
Increase/Decrease in Borrowings	(476.42)	(60.69)	(70.00)	(100.00)	(150.00)	-
Net Cash Flow available for distribution	317.39	428.71	489.00	442.38	482.40	773.85
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	317.39	376.06	376.27	298.59	285.62	401.91

Cumulative Present Value	2,055.84
Present value of Terminal value	5,920.72
Total Present Value	7,976.56
Add: Cash and cash equivalents as on 31st March, 2017	2.03
Add: Long Term Investments as on 31st March, 2017	2,065.92
Enterprise Value	10,044.52

Calculation of value per share	
Enterprise Value (Rs.)	1,004,451,719
No of Shares	12,000
Value per Equity Share (Rs)	**83,704**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs.in Lacs)
Total Value of Assets	7,516.97
Less: Liabilities	667.35
Net Assets Value	6849.62

Calculation of value per share	
Net Assets Value (Rs.)	684,962,014
No. of Shares	12,000
Value per equity share (in Rs.)	**57,080**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	83,704	3	251,113
Value as per NAV Method (Table 2)	57,080	1	57,080
Total		4	308,193
Value Per Share (Rs.)			**77,048**

Annexure IV

VALUATION OF EQUITY SHARES OF M/S DS DIGITAL PRIVATE LIMITED- EDUCATION BUSINESS

Table 1: Valuation as per DCF Method **(Rs. In Millions)**

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit / (Loss) After Taxation	(55.58)	(26.20)	(1.09)	21.65	50.75	72.98
Depreciation & other non cash items	55.85	74.01	101.20	133.22	160.90	189.04
(Increase)/Decrease in Working Capital	-	(80.71)	(20.99)	(21.37)	(8.28)	(3.47)
(Addition to)/Sales of Fixed Assets	-	(201.15)	(243.99)	(180.00)	(173.50)	(188.35)
Increase/(Decrease in Capital)	110.00	130.00	25.00	-	-	-
Increase/(Decrease in borrowings)	-	82.07	60.06	47.60	19.68	17.63
Net Cash Flow available for distribution	110.27	(21.99)	(79.81)	1.10	49.55	87.84
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	110.27	(19.25)	(61.19)	0.74	29.13	45.22

Cumulative Present Value Primary Period	104.92
Present value of Terminal value	672.09
Total Present Value	777.01
Add: Cash & Cash Equivalents as on 31st March, 2017	5.20
Enterprises value	782.21
No of Shares	56.89
Value per Equity Share (Rs)	**13.75**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs.in Millions)
Total Value of Assets	467.00
Less: Liabilities	278.42
Net Assets Value	188.58
No. of Shares	56.89
Value per equity share (in Rs.)	3.31

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	13.75	3	41.25
Value as per NAV Method (Table 2)	3.31	1	3.31
Total		4	44.56
Value Per Share (Rs.)			**11.14**

Annexure V

VALUATION OF EQUITY SHARES OF M/S DS DIGITAL PRIVATE LIMITED- FULL BUSINESS

Table 1: Valuation as per DCF Method **(Rs. In Millions)**

Particulars	2017	2018	2019	2020	2021	2022
Net Profit / (Loss) After Taxation	(65.78)	(33.50)	(4.49)	22.35	52.85	76.38
Depreciation & other non cash items	57.85	76.01	103.20	135.22	162.90	191.04
(Increase)/Decrease in Working Capital	33.24	(14.24)	(19.19)	(23.87)	(12.88)	(9.17)
(Addition to)/Sales of Fixed Assets	-	(202.85)	(243.99)	(180.00)	(173.50)	(188.35)
Increase/(Decrease in Capital)	110.00	130.00	25.00	-	-	-
Increase/(Decrease in borrowings)-Including ESC	-	82.07	60.06	47.60	19.68	17.63
Net Cash Flow available for distribution	135.31	37.49	-79.12	1.30	49.05	87.54
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	135.31	32.83	-60.66	0.88	28.84	45.07

Cumulative Present Value Primary Period	182.27
Present value of Terminal value	669.80
Total Present Value	852.07
Add: Cash & Cash Equivalents as on 31st March, 2017	6.10
Enterprises value	858.17
No of Shares	56.89
Value per Equity Share (Rs)	**15.08**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs.in Millions)
Total Value of Assets	430.81
Less: Liabilities	278.92
Net Assets Value	151.89
No. of Shares	56.89
Value per equity share (in Rs.)	2.67

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	15.08	3	45.25
Value as per NAV Method (Table 2)	2.67	1	2.67
Total		4	47.92
Value Per Share (Rs.)			**11.98**

Annexure VI

VALUATION OF EQUITY SHARES OF M/S SAFARI DIGITAL EDUCATION INITIATIVES PVT. LTD. - EDUCATION BUSINESS

Table 1: Valuation as per DCF Method (Amount Rs. in millions)

Particulars	2017	2018	2019	2020	2,021	2,022
Net Profit / (Loss) After Taxation	(14.00)	(22.40)	(24.40)	28.70	97.80	186.80
Depreciation & other non cash items	3.40	8.10	11.10	11.80	12.10	12.10
Changes in Working Capital	-11.70	-42.70	-33.90	(66.60)	(76.70)	(90.70)
(Addition to)/Sales of Fixed Assets	-	(30.80)	-2.20	-2.10	-	-
Increase in share capital	-	60.00	35.00	-	-	-
Increase/(Decrease in borrowings)	-	50.00	10.00	20.00	20.00	-50.00
Net Cash Flow available for distribution	(22.30)	22.20	(4.40)	(8.20)	53.20	58.20
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	(22.30)	19.44	-3.37	-5.51	31.28	29.96

Cumulative Present Value Primary Period	49.50
Present value of Terminal value	445.29
Enterprise Value	494.79
No of Shares	44.37
Value per Equity Share (Rs)	**11.15**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs. in millions)
Total Value of Assets	97.30
Less: Liabilities	111.40
Net Assets Value	-14.10
No. of Shares	44.37
Value per equity share (in Rs.)	**-0.32**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	11.15	3	33.45
Value as per NAV Method (Table 2)	-0.32	1	-0.32
Total		4	33.14
Value Per Share (Rs.)			**8.28**

Annexure VII

VALUATION OF EQUITY SHARES OF M/S SAFARI DIGITAL EDUCATION INITIATIVES PVT. LTD. - FULL BUSINESS

Table 1: Valuation as per DCF Method				(Amount Rs. in millions)		
Particulars	**2017**	**2018**	**2019**	**2020**	**2,021**	**2,022**
Net Profit / (Loss) After Taxation	(32.48)	(53.61)	(49.51)	4.80	75.59	166.91
Depreciation & other non cash items	4.29	8.70	11.70	12.40	12.70	12.70
Changes in Working Capital	(121.59)	(43.05)	(38.77)	(66.46)	(76.54)	(90.53)
(Addition to)/Sales of Fixed Assets	-	(30.80)	-2.20	-2.10	-	-
Increase in share capital	-	90.00	65.00	25.00	25.00	10.00
Increase/(Decrease) in borrowings	-	50.00	10.00	20.00	20.00	-50.00
Net Cash Flow available for distribution	(149.78)	21.24	(3.78)	(6.36)	56.75	49.09
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	(149.78)	18.60	(2.90)	(4.27)	33.37	25.27

Cumulative Present Value Primary Period	(79.71)
Present value of Terminal value	375.56
Total Present Value	295.85
Add: Cash and cash equivalents as on 31st March, 2017	2.62
Add: Long Term Investments as on 31st March, 2017	485.66
Enterprise Value	784.13
No of Shares	44.37
Value per Equity Share (Rs)	**17.67**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs. in millions)
Total Value of Assets	738.32
Less: Liabilities	358.32
Net Assets Value	380.00
No. of Shares	44.37
Value per equity share (in Rs.)	**8.56**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	17.67	3	53.02
Value as per NAV Method (Table 2)	8.56	1	8.56
Total		4	61.58
Value Per Share (Rs.)			**15.40**

The Board of Directors
S Chand and Company Limited
A-27, Mohan Co-operative Industrial Estate
New Delhi – 110044

Dear Sir(s),

Subject: Addendum to our reports dated 14th November, 2017 and 19th January, 2018 for Computation of Fair Share Exchange ratio

We refer to our reports dated 14th November, 2017 and 19th January, 2018 for computation of Fair Share Exchange Ratio in relation to the proposed restructuring of the company with effect from 1st April, 2017.

We hereby re-compute the fair share exchange ratio by computing intrinsic values of the equity shares as per weighted average of Asset Approach, Income Approach and Market Approach.

Since the company was not listed as on 1st April, 2017, we have taken Rs.660 as the value per share under Market approach based on the fair price considered by the company while going for its Initial Public Offering (IPO) in April 2017. The company had offered its share in IPO at a price band of Rs.660 – Rs.670 per share.

Market Approach is not applicable for DS Digital Pvt. Ltd. since the said company is unlisted.

Computation of Fair Share Exchange Ratio upon the demerger of Education Business of DDPL into S Chand and Company Ltd:

Valuation Approach	**S Chand and Company Ltd.**		**DS Digital Pvt. Ltd. (DDPL) - Education Business**	
	Value per share having face value Rs. 5 each (Rs.)	**Weight**	**Value per share having face value Rs. 10 each (Rs.)**	**Weight**
Asset Approach	217	1	3.31	1
Income Approach	794	3	13.75	3
Market Approach	660	1	-	-
Relative Value per Share	**651.80**		**11.14**	
Exchange Ratio (rounded off)			1:117	

RATIO:

1 (One) equity share of S Chand and Company Ltd. of Rs. 5 each fully paid up for every 117 (One hundred seventeen) equity share of DS Digital Pvt. Ltd. of Rs. 10 each fully paid up.

Date: 15th March, 2019
Place: New Delhi

For B. Chhawchharia & Co.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

The Board of Directors
S Chand and Company Limited
A-27, Mohan Co-operative Industrial Estate
New Delhi – 110 044

Dear Sir(s),

Sub: Clarification in respect of our reports dated 14th November, 2017 and 19th January, 2018

We refer to our valuation report dated 14th November, 2017 and report dated 19th January, 2018 for computation of Fair Share Exchange Ratio in relation to the proposed restructuring of the company with effect from 1 April 2017.

We hereby clarify that the fair share exchange ratio had been computed and proposed by us by computing intrinsic values of the equity shares as per Asset Approach and Income Approach and assigning relative weights to them. While computing such fair share exchange ratio, Market Approach had not been used since M/s S Chand and Company Limited was not listed as on 1 April 2017 and hence, data for market prices of shares as on that date was not available. Further, the other companies involved in restructuring namely M/s DS Digital Pvt. Ltd. and M/s Safari Digital Education Initiatives Pvt. Ltd. are also unlisted companies and hence, Market Approach, in our view, cannot be applied.

This clarification has been issued at the request of the management.

For **B.Chhawchharia & Co.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date : 4th January, 2019
Place : New Delhi

The Board of Directors
S Chand and Company Limited
A-27, Mohan Co-operative Industrial Estate
New Delhi – 110 044

Dear Sir(s),

Sub: Computation of Fair Share Exchange Ratio in continuation of our earlier report dated 14th November, 2017

1. Our Engagement

We, B.Chhawchharia & Co., Chartered Accountants, have been mandated by the management of S Chand and Company Limited (hereinafter referred as "S Chand" or "the Company") to determine the fair value per equity share as per the Internationally Accepted Valuation Principles as on the valuation date i.e. 31st March, 2017 and to recommend the share exchange ratio for the following companies :

a) S Chand And Company Limited **("S Chand")**

b) Blackie & Son (Calcutta) Private Limited **("BSPL")**

c) Nirja Publishers and Printers Private Limited **("NPPL")**

d) DS Digital Private Limited **("DDPL")** – Education Business and Full Business

e) Safari Digital Education Initiatives Private Limited **("SDPL")** – Education Business and Full Business

2. Computation of Fair Share Exchange Ratio

2.1 The share exchange ratios have been recommended based on the relative fair values of the shares.

2.2 Since BSPL and NPPL are wholly owned subsidiaries of S Chand, no shares shall be issued by S Chand upon amalgamation of both the companies with the company.

2.3 Since the shares of SDPL are held by S Chand and NPPL (which is getting amalgamated with S Chand under the Composite Scheme of Arrangement), no shares shall be issued by S Chand upon demerger of Education Business of SDPL into the company.

2.4 Upon the demerger of Education Business of DDPL into S Chand,

Valuation Approach	**S Chand and Company Ltd.**		**DS Digital Pvt. Ltd. – Education Business**	
	Value per share having face value Rs.5 each (Rs.)	**Weight**	**Value per share having face value Rs.10 each (Rs.)**	**Weight**
Asset Approach	217	1	3.31	1
Income Approach	794	3	13.75	3
Market Approach	-	-	-	-
Relative Value per Share	**650**		**11.14**	
Exchange Ratio (rounded off)			1:117	

RATIO:

1 (One) equity share of S Chand and Company Ltd. of Rs.5 each fully paid up for every 117 (One Hundred Seventeen) equity shares of DS Digital Pvt. Ltd. of Rs.10 each fully paid up

2.5 Upon the amalgamation of DDPL into SDPL post demerger of education businesses into S Chand,

Valuation Approach	**Safari Digital Education Initiatives Pvt. Ltd. (post demerger)**		**DS Digital Pvt. Ltd. (post demerger)**	
	Value per share having face value Rs.10 each (Rs.)	**Weight**	**Value per share having face value Rs.10 each (Rs.)**	**Weight**
Asset Approach	8.88	1	(0.64)	1
Income Approach	6.52	3	1.33	3
Market Approach	-	-	-	-
Relative Value per Share	**7.12**		**0.84**	
Exchange Ratio (rounded off)			2:17	

RATIO:

a) 2 (Two) equity shares of Safari Digital Education Initiatives Pvt. Ltd. of Rs.10 each fully paid up for every 17 (Seventeen) equity shares of DS Digital Pvt. Ltd. of Rs.10 each fully paid up

b) 2 (Two) preference shares of Safari Digital Education Initiatives Pvt. Ltd. of Rs.10 each fully paid up for every 17 (Seventeen) preference shares of DS Digital Pvt. Ltd. of Rs.10 each fully paid up

3. Scope Limitation

This valuation is subject to the scope of our engagement and assumptions, exclusions, limitations and disclaimers as below:

a) The valuation report is based on the information and documents provided to us and representations made by the representatives of the company. We have not audited or reviewed any data or projections provided to us. Accordingly, we do not assume any responsibility for any error(s) in the information furnished to us.

b) By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement.

c) This valuation report has been prepared solely for the purposes stated herein and should not be relied upon for any other purpose. This document is strictly confidential and, save to the extent required by applicable law and/or regulations, must not be released to any third party without our express written consent which is at our sole discretion.

For **B.Chhawchharia & Co.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date : 19th January, 2018
Place : New Delhi

The Board of Directors
S Chand and Company Limited
A-27, Mohan Co-operative Industrial Estate
New Delhi – 110 044

Dear Sir(s),

Sub: Report on valuation of shares and recommendation of share exchange ratio

1. Our Engagement

We, B.Chhawchharia & Co., Chartered Accountants, have been mandated by the management of S Chand and Company Limited (hereinafter referred as "S Chand" or "the Company") to determine the fair value per equity share as per the Internationally Accepted Valuation Principles as on the valuation date i.e. 31st March, 2017 and to recommend the share exchange ratio for the following companies :

a) S Chand and Company Limited **("S Chand")**

b) Blackie & Son (Calcutta) Private Limited **("BSPL")**

c) Nirja Publishers and Printers Private Limited **("NPPL")**

d) DS Digital Private Limited **("DDPL")** – Education Business and Full Business

e) Safari Digital Education Initiatives Private Limited **("SDPL")** – Education Business and Full Business

2. Purpose of this report

2.1 We have been given to understand that S Chand is proposing to restructure the Group by way of a Composite Scheme of Arrangement w.e.f. 1st April, 2017, wherein:

a) BSPL and NPPL shall be amalgamated with S Chand

b) Education Businesses of DDPL and SDPL shall be demerged into S Chand on a going concern basis

c) DDPL post demerger of its education business shall be amalgamated with SDPL

2.2 The valuations have been carried out for the purposes of determination of relative fair value per share of the abovementioned companies as on 31st March, 2017 pursuant to the proposed Composite Scheme of Arrangement under the Companies Act, 2013 and subject to SEBI regulations.

2.3 The report also recommends the share exchange ratio based upon the relative fair values of the companies in respect of the shares to be issued as consideration under the proposed Composite Scheme of Arrangement.

3. About the companies

3.1 S Chand is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. S Chand is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books. Equity shares of S Chand are listed on Bombay Stock Exchange and National Stock Exchange.

3.2 BSPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. BSPL is earning its revenue from royalty income and is a wholly owned subsidiary of S Chand.

3.3 NPPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. NPPL is engaged in the business of manufacturing paper and paper products, publishing, printing and reproduction of recorded media and is a wholly owned subsidiary of S Chand.

3.4 DDPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. DDPL is engaged in the business of providing digital educational services and is a subsidiary company of S Chand.

3.5 SDPL is a private limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated in the State of Delhi. SDPL is engaged in the business of rendering digital education. S Chand and NPPL are holding 60% and 40% of the share capital of SDPL and accordingly, SDPL is an indirect wholly owned subsidiary of S Chand.

4. Information and documents relied upon

4.1 For the purpose of this valuation report, we have relied upon the following information and documents made available to us by S Chand

a) Presentation on the proposed restructuring

b) Draft Composite Scheme of Arrangement

c) Copies of Audited Financial Statements for the years ended 31st March, 2016 and 31st March, 2017 of all the companies

d) Division wise financial statements of DDPL and SDPL as on 31st March, 2017

e) Projected Financial statements for next 5 years (FY 2017-18 to FY 2021-22)

f) Such other information and explanations as was required and which have been provided by the representatives of S Chand

4.2 For our analysis and independent checks, we have relied on published and secondary sources of data available in the public domain and which can be generally relied upon.

5. Valuation Methodology

5.1 As per the Internationally Accepted Valuation Principles, any of the following methodologies for valuation of equity shares may be used depending upon the company dynamics:

a) Income Approach

- Discounted Free Cash Flow Method
- Profit Earning Capacity Value Method

b) Market Approach

- Market Price Method
- Comparable Multiple Method

c) Assets based Approach

- Net Assets Value Method. Under this method, the value of the assets can be taken at book value or it may be taken at fair values.

5.2 The fair value of equity shares have to be determined using a particular method or a weighted average of combination of methods after taking into consideration all the factors and the valuation principles mentioned above.

5.3 In the given context, after considering all the factors and the fact that the majority of the companies are unlisted and are subsidiaries of the Transferee Company and that the projections of future cash flows of the companies are reasonably achievable, we are of the view that it is appropriate to determine the fair value of the shares by considering a weighted average of Discounted Cash Flow Method **("DCF Method")** and Net Assets Value Method **("NAV Method")**.

5.4 DCF Method

a) Under DCF approach, the future free cash flows of the company/division are discounted to the valuation date to arrive at the present value of the cash flows of the business or capitalized using a discount rate depending on the capital structure of the company. This approach also takes into account the value of the business in perpetuity by the calculation of the terminal value using the perpetuity growth method.

b) The mechanism involved to calculate the fair value per equity share under this method is enumerated below:

- The profit after taxes for future years are adjusted for non-cash items, changes in working capital, deployment of funds in fixed assets, changes in borrowings, etc. to arrive at the free cash flows available with the business for its shareholders.
- The cash flows are then discounted using a discount rate determined using the Capital Asset Pricing Mechanism.
- The present value of the terminal value of the business is calculated assuming a perpetual growth rate and discounting the same using the discount rate used above.
- The total value available for the shareholders reflect the value of the business which is divided by the total number of equity shares to arrive at the value per share

5.5 NAV Method

a) Under NAV method, the fair value per equity share is determined based on the net assets of the company/division available to the equity shareholders. The same can be calculated either using the book values or the market value of the assets and liabilities. Keeping in mind the nature of the business and the purpose of valuation, we have used the book value to determine the fair value per share under this method.

b) The mechanism involved to calculate the fair value per equity share under this method is enumerated below:

- The net assets of the business are computed as on the valuation date by deducting from the total assets the value of the total liabilities.
- The net asset value is then divided by the total number of equity shares to arrive at the value per share.

5.6 The fair value per share derived under DCF method and under NAV method is given suitable weights based on various factors and nature of the business and accordingly, fair value per share on the valuation date has been arrived for.

6. Valuation Analysis

6.1 We have assigned a weight of 3 to the fair value determined using the DCF method and a weight of 1 to the fair value determined using the NAV method to arrive at the value per equity share as on the valuation date.

6.2 For the purposes of determination of fair value per share under DCF method, following assumptions and calculations have been used:

- Discount Factor i.e. Cost of equity has been determined by applying the Capital Asset Pricing Model (CAPM) which is expressed as follows:

  Ke = Rf + B (Rm - Rf), where

  Ke = Cost of equity

  Rf = Risk free rate of return, taken at 7%

  B = Beta, a measure of risk associated with the company, taken at 1.2

  Rm = Return on market, taken at 13%

  Thus, Ke has been determined at 14% using the above formula.

- The terminal values have been determined using a terminal growth rate of 11% for S Chand and 7% for other companies.

6.3 The fair value per share as on 31st March, 2017 for various companies are summarized in the following table:

Name of the company	Annexure reference	Face Value per share (Rs.)	Fair Value per share (Rs.)
S Chand and Company Limited	I	5	650.00
Blackie & Son (Calcutta) Private Limited	II	1000	384680.00
Nirja Publishers and Printers Private Limited	III	10	77048.00
DS Digital Private Limited – Education Business	IV	10	11.14
DS Digital Private Limited – Full Business	V	10	11.98
Safari Digital Education Initiatives Private Limited – Education Business	VI	10	8.28
Safari Digital Education Initiatives Private Limited – Full Business	VII	10	15.40

7. Share exchange ratio

7.1 The share exchange ratios have been recommended based on the relative fair values of the shares determined above.

7.2 Since BSPL and NPPL are wholly owned subsidiaries of S Chand, no shares shall be issued by S Chand upon amalgamation of both the companies with the company.

7.3 Since the shares of SDPL are held by S Chand and NPPL (which is getting amalgamated with S Chand under the Composite Scheme of Arrangement), no shares shall be issued by S Chand upon demerger of Education Business of SDPL into the company.

7.4 Upon the demerger of Education Business of DDPL into S Chand, 1 (One) equity share of Rs. 5 each fully paid up of S Chand should be allotted to the shareholders of DDPL in lieu of 117 (One Hundred Seventeen) equity shares of Rs.10 each fully paid up of DDPL, computed as follows:

	S Chand	DDPL – Education Business
Face value per share (Rs.)	5	10
Value per equity share of Rs. 5 each as on 31.03.2017 (Rs.)	650	5.57 (11.14/2)
Exchange ratio	1	116.70
Exchange ratio (rounded off)	**1**	**117**

7.5 Upon the amalgamation of DDPL into SDPL post demerger of education businesses into S Chand,

a) 2 (Two) equity shares of Rs. 10 each fully paid up of SDPL should be allotted to the equity shareholders of DDPL in lieu of 17 (Seventeen) equity shares of Rs.10 each fully paid up of DDPL; and

b) 2 (Two) preference shares of Rs. 10 each fully paid up of SDPL should be allotted to the preference shareholders of DDPL in lieu of 17 (Seventeen) preference shares of Rs.10 each fully paid up of DDPL, computed as follows:

	SDPL	**DDPL**
Value per share as on 31.03.2017 (Rs.)	15.40	11.98
Less: Value per share of the demerged undertaking	8.28	11.14
Value per share post demerger (Rs.)	**7.12**	**0.84**
Exchange ratio	2	16.95
Exchange ratio (rounded off)	**2**	**17**

Since the preference shares are convertible into equity in the ratio of 1:1, the same has been treated at par with equity shares for the above computation.

8. Scope Limitation

This valuation is subject to the scope of our engagement and assumptions, exclusions, limitations and disclaimers as below:

a) The valuation report is based on the information and documents provided to us and representations made by the representatives of the company. We have not audited or reviewed any data or projections provided to us. Accordingly, we do not assume any responsibility for any error(s) in the information furnished to us.

b) By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement.

c) This valuation report has been prepared solely for the purposes stated herein and should not be relied upon for any other purpose. This document is strictly confidential and, save to the extent required by applicable law and/or regulations, must not be released to any third party without our express written consent which is at our sole discretion.

For **B.Chhawchharia & Co.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date : 14th November, 2017
Place : New Delhi

Annexure I

VALUATION OF EQUITY SHARES OF M/S S CHAND AND COMPANY LIMITED

Table 1: Valuation as per DCF Method (Amount Rs. in millions)

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit After Taxation	582.06	921.66	1,190.50	1,471.52	1,788.67	2,149.43
Depreciation & other non cash items	330.06	360.48	375.99	393.12	412.03	432.98
Changes in Working Capital	(772.12)	(369.87)	(348.54)	(501.33)	(880.28)	(1,004.66)
Addition to Fixed Assets	(1,706.60)	(472.96)	(405.29)	(285.29)	(330.29)	(345.29)
Increase in Share capital	-	3,138.90	-	-	-	-
Increase/(Decrease) in borrowings	1,976.54	(2,500.86)	(259.60)	(198.85)	(194.87)	(141.89)
Net Cash Flow Available for distribution	409.95	1,077.34	553.06	879.17	795.27	1,090.57
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	409.95	943.38	424.07	590.30	467.57	561.46

Cumulative Present Value Primary Period	3,396.73
Present value of Terminal value	19,475.76
Total Present Value	22,872.49
Add: Long Term Investments as on 31st March, 2017	442.45
Add: Cash and cash equivalents as on 31st March, 2017	375.41
Enterprise value	23,690.35
No of Shares	29.84
Value per Equity Share (Rs)	**794**

Table 2: Valuation as per NAV Method

Particulars	**Amount (Rs.in millions)**
Total Value of Assets	13,216.00
Less: Liabilities	6,752.98
Net Assets Value	6,463.02
No. of Shares	29.84
Value per equity share (in Rs.)	**217**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount (Rs.)
Value as per DCF Method (Table 1)	794	3	2382
Value as per NAV Method (Table 2)	217	1	217
Total		**4**	**2598**
Value Per Share (Rs.)			**650**

Annexure II

VALUATION OF EQUITY SHARES OF M/S BLACKIE AND SONS (CALCUTTA) PRIVATE LIMITED

Table 1: Valuation as per DCF Method **(Rs. in Lacs)**

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit / (Loss) After Taxation	11.54	19.23	23.06	26.52	30.49	35.07
Depreciation & other non cash items	3.95	1.09	-	-	-	-
Changes in Working Capital	(0.84)	(25.65)	(20.70)	(23.81)	(27.38)	(31.48)
Net Cash Flow available for distribution	14.65	-5.32	2.30	2.71	3.12	3.59
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	14.65	-4.67	1.77	1.83	1.85	1.86

Cumulative Present Value	17.29
Present value of Terminal value	48.78
Total Present Value	66.07
Add: Cash and cash equivalents as on 31st March, 2017	19.50
Add: Long Term Investments as on 31st March, 2017	453.34
Enterprise Value	538.92

Calculation of value per share	
Enterprise Value (Rs.)	53,891,685
No of Shares	149
Value per Equity Share (Rs)	**361,689**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs. in Lacs)
Total Value of Assets	684.91
Less: Liabilities	8.96
Net Assets Value	675.94
Calculation of value per share	
Net Assets Value (Rs.)	67,594,246
No. of Shares	149
Value per equity share (in Rs.)	**453,653**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount (Rs.)
Value as per DCF Method (Table 1)	361,689	3	1,085,067
Value as per NAV Method (Table 2)	453,653	1	453,653
Total		**4**	**1,538,720**
Value Per Share (Rs.)			**384,680**

Annexure III

VALUATION OF EQUITY SHARES OF M/S NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED

Table 1: Valuation as per DCF Method **(Rs. in Lacs)**

Particulars	2017	2018	2019	2020	2021	2022
Net Profit / (Loss) After Taxation	385.70	580.39	696.21	769.76	916.77	1,080.71
Depreciation & other non cash items	34.68	60.18	68.94	67.05	65.35	65.81
Changes in Working Capital	373.43	348.83	(156.00)	(244.43)	(279.71)	(322.68)
Addition/Sale of Fixed Assets	-	(500.00)	(50.00)	(50.00)	(70.00)	(50.00)
Increase/Decrease in Borrowings	(476.42)	(60.69)	(70.00)	(100.00)	(150.00)	-
Net Cash Flow available for distribution	317.39	428.71	489.00	442.38	482.40	773.85
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	317.39	376.06	376.27	298.59	285.62	401.91

Cumulative Present Value	2,055.84
Present value of Terminal value	5,920.72
Total Present Value	7,976.56
Add: Cash and cash equivalents as on 31st March, 2017	2.03
Add: Long Term Investments as on 31st March, 2017	2,065.92
Enterprise Value	10,044.52
Calculation of value per share	
Enterprise Value (Rs.)	1,004,451,719
No of Shares	12,000
Value per Equity Share (Rs)	**83,704**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs.in Lacs)
Total Value of Assets	7,516.97
Less: Liabilities	667.35
Net Assets Value	6849.62
Calculation of value per share	
Net Assets Value (Rs.)	684,962,014
No. of Shares	12,000
Value per equity share (in Rs.)	**57,080**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	83,704	3	251,113
Value as per NAV Method (Table 2)	57,080	1	57,080
Total		4	308,193
Value Per Share (Rs.)			**77,048**

Annexure IV

VALUATION OF EQUITY SHARES OF M/S DS DIGITAL PRIVATE LIMITED- EDUCATION BUSINESS

Table 1: Valuation as per DCF Method **(Rs. In Millions)**

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit / (Loss) After Taxation	(55.58)	(26.20)	(1.09)	21.65	50.75	72.98
Depreciation & other non cash items	55.85	74.01	101.20	133.22	160.90	189.04
(Increase)/Decrease in Working Capital	-	(80.71)	(20.99)	(21.37)	(8.28)	(3.47)
(Addition to)/Sales of Fixed Assets	-	(201.15)	(243.99)	(180.00)	(173.50)	(188.35)
Increase/(Decrease in Capital)	110.00	130.00	25.00	-	-	-
Increase/(Decrease in borrowings)	-	82.07	60.06	47.60	19.68	17.63
Net Cash Flow available for distribution	110.27	(21.99)	(79.81)	1.10	49.55	87.84
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	110.27	(19.25)	(61.19)	0.74	29.13	45.22

Cumulative Present Value Primary Period	104.92
Present value of Terminal value	672.09
Total Present Value	777.01
Add: Cash & Cash Equivalents as on 31st March, 2017	5.20
Enterprises value	782.21
No of Shares	56.89
Value per Equity Share (Rs)	**13.75**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs.in Millions)
Total Value of Assets	467.00
Less: Liabilities	278.42
Net Assets Value	188.58
No. of Shares	56.89
Value per equity share (in Rs.)	3.31

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	13.75	3	41.25
Value as per NAV Method (Table 2)	3.31	1	3.31
Total		4	44.56
Value Per Share (Rs.)			**11.14**

Annexure V

VALUATION OF EQUITY SHARES OF M/S DS DIGITAL PRIVATE LIMITED- FULL BUSINESS

Table 1: Valuation as per DCF Method **(Rs. In Millions)**

Particulars	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit / (Loss) After Taxation	(65.78)	(33.50)	(4.49)	22.35	52.85	76.38
Depreciation & other non cash items	57.85	76.01	103.20	135.22	162.90	191.04
(Increase)/Decrease in Working Capital	33.24	(14.24)	(19.19)	(23.87)	(12.88)	(9.17)
(Addition to)/Sales of Fixed Assets	-	(202.85)	(243.99)	(180.00)	(173.50)	(188.35)
Increase/(Decrease in Capital)	110.00	130.00	25.00	-	-	-
Increase/(Decrease in borrowings)-Including ESC	-	82.07	60.06	47.60	19.68	17.63
Net Cash Flow available for distribution	135.31	37.49	-79.12	1.30	49.05	87.54
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	135.31	32.83	-60.66	0.88	28.84	45.07

Cumulative Present Value Primary Period	182.27
Present value of Terminal value	669.80
Total Present Value	852.07
Add: Cash & Cash Equivalents as on 31st March, 2017	6.10
Enterprises value	858.17
No of Shares	56.89
Value per Equity Share (Rs)	**15.08**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs.in Millions)
Total Value of Assets	430.81
Less: Liabilities	278.92
Net Assets Value	151.89
No. of Shares	56.89
Value per equity share (in Rs.)	2.67

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	15.08	3	45.25
Value as per NAV Method (Table 2)	2.67	1	2.67
Total		4	47.92
Value Per Share (Rs.)			**11.98**

Annexure VI

VALUATION OF EQUITY SHARES OF M/S SAFARI DIGITAL EDUCATION INITIATIVES PVT. LTD. - EDUCATION BUSINESS

Table 1: Valuation as per DCF Method (Amount Rs. in millions)

Particulars	2017	2018	2019	2020	2,021	2,022
Net Profit / (Loss) After Taxation	(14.00)	(22.40)	(24.40)	28.70	97.80	186.80
Depreciation & other non cash items	3.40	8.10	11.10	11.80	12.10	12.10
Changes in Working Capital	-11.70	-42.70	-33.90	(66.60)	(76.70)	(90.70)
(Addition to)/Sales of Fixed Assets	-	(30.80)	-2.20	-2.10	-	-
Increase in share capital	-	60.00	35.00	-	-	-
Increase/(Decrease in borrowings)	-	50.00	10.00	20.00	20.00	-50.00
Net Cash Flow available for distribution	(22.30)	22.20	(4.40)	(8.20)	53.20	58.20
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	(22.30)	19.44	-3.37	-5.51	31.28	29.96

Cumulative Present Value Primary Period	49.50
Present value of Terminal value	445.29
Enterprise Value	494.79
No of Shares	44.37
Value per Equity Share (Rs)	**11.15**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs. in millions)
Total Value of Assets	97.30
Less: Liabilities	111.40
Net Assets Value	-14.10
No. of Shares	44.37
Value per equity share (in Rs.)	**-0.32**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	11.15	3	33.45
Value as per NAV Method (Table 2)	-0.32	1	-0.32
Total		4	33.14
Value Per Share (Rs.)			**8.28**

Annexure VII

VALUATION OF EQUITY SHARES OF M/S SAFARI DIGITAL EDUCATION INITIATIVES PVT. LTD. - FULL BUSINESS

Table 1: Valuation as per DCF Method				(Amount Rs. in millions)		
Particulars	**2017**	**2018**	**2019**	**2020**	**2,021**	**2,022**
Net Profit / (Loss) After Taxation	(32.48)	(53.61)	(49.51)	4.80	75.59	166.91
Depreciation & other non cash items	4.29	8.70	11.70	12.40	12.70	12.70
Changes in Working Capital	(121.59)	(43.05)	(38.77)	(66.46)	(76.54)	(90.53)
(Addition to)/Sales of Fixed Assets	-	(30.80)	-2.20	-2.10	-	-
Increase in share capital	-	90.00	65.00	25.00	25.00	10.00
Increase/(Decrease) in borrowings	-	50.00	10.00	20.00	20.00	-50.00
Net Cash Flow available for distribution	(149.78)	21.24	(3.78)	(6.36)	56.75	49.09
Discount Factor (Return on Equity)	14%	14%	14%	14%	14%	14%
Present Value (PV)	(149.78)	18.60	(2.90)	(4.27)	33.37	25.27

Cumulative Present Value Primary Period	(79.71)
Present value of Terminal value	375.56
Total Present Value	295.85
Add: Cash and cash equivalents as on 31st March, 2017	2.62
Add: Long Term Investments as on 31st March, 2017	485.66
Enterprise Value	784.13
No of Shares	44.37
Value per Equity Share (Rs)	**17.67**

Table 2: Valuation as per NAV Method

Particulars	Amount (Rs. in millions)
Total Value of Assets	738.32
Less: Liabilities	358.32
Net Assets Value	380.00
No. of Shares	44.37
Value per equity share (in Rs.)	**8.56**

Table 3: Weighted Average Value of Share

Particular	Value Per Share (Rs.)	Weight	Amount
Value as per DCF Method (Table 1)	17.67	3	53.02
Value as per NAV Method (Table 2)	8.56	1	8.56
Total		4	61.58
Value Per Share (Rs.)			**15.40**

Report on Complaints as on September 30, 2019

Part A

Sr. No	Particulars	Number
1	Number of complaints received directly	NIL
2	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3	Total Number of complaints/comments received (1+2)	NIL
4	Number of complaints resolved	NIL
5	Number of complaints pending	NIL

Part B-NIL

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/ pending)
1			
2			
3			

For S Chand And Company Limited

Sd/-
Jagdeep Singh
Company Secretary & Compliance Officer
Membership No. A15028

Address: A-27, 2nd Floor,
Mohan Co-operative Industrial Estate,
New Delhi-110044

STRICTLY PRIVATE AND CONFIDENTIAL

To June 12, 2019

The Board of Directors
S Chand and Company Limited
A-27, Mohan Cooperative Industrial Estate
New Delhi-110044

Ref: Proposed composite scheme of arrangement

Dear Sir(s)

Sub: Fairness opinion on the valuation carried out by B. Chhawahharia & Co., Chartered Accountants

This is with reference to the request made to us by the management of S Chand And Company Limited to provide fairness opinion on the valuation exercise carried out by B. Chhawahharia & Co., Chartered Accountants, for the proposed composite Scheme of Arrangement (Proposed Scheme) amongst Blackie & Son (Calcutta) Private Limited ("**BSPL**"), Nirja Publishers & Printers Private Limited ("**NPPL**"), DS Digital Private Limited ("**DDPL**"), Safari Digital Education Initiatives Private Limited ("**SDPL**") and S Chand And Company Limited ("**S Chand**") and their respective shareholders and creditors. For the sake of convenience BSPL, NPPL, DDPL, SDPL and S Chand are hereinafter collectively referred as "**Companies**".

M/s. B. Chhawahharia & Co., Chartered Accountants ('the Valuer') had issued a Report on Valuation of Shares and recommendation of Share Exchange Ratio dated November 14, 2017 ("the Original Valuation Report") in connection with the Proposed Scheme and the same was filed by S Chand and Company Ltd, in terms of the applicable provisions of the SEBI (LODR) Regulations, 2015 and SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017, with the Stock Exchanges - namely BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

As per the queries raised and clarifications sought by the stock exchanges from time to time, inter-alia, on the Original Valuation Report, the Valuer had issued clarifications/ addendum letters dated January 19, 2018, January 04, 2019 and March 15, 2019 ("the Addendum Letters").

In order to avoid confusion, the Valuer has compiled all clarifications/ addendum letters and has now issued a Report on Valuation of Shares and recommendation of Share Exchange Ratio dated June 12, 2019 in continuation with the Original Valuation Report and Addendum Letters.

We the undersigned had also issued our Fairness Opinion on the Valuation Report vide Fairness Opinion Letter dated 16th November, 2018 and 27th March, 2018. Now, we have been approached by the Management of S Chand to provide the Fairness Opinion on the Report on Valuation of Shares and recommendation of Share Exchange Ratio dated June 12, 2019 issued by the Valuer in continuation with the Original Valuation Report and Addendum Letters.

Companies that are party to the proposed scheme

I. BSPL is a private limited duly incorporated under the provisions of the Companies Act, 1956 on October 9, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. BSPL is primarily earning its revenue from royalty on books. BSPL is a wholly owned subsidiary of S Chand;

II. NPPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar, Qutab Road, New Delhi-110055. NPPL is, *inert-alia*, engaged in the business of manufacturing paper and paper products, publishing, printing and reproduction of recorded media, binding of books for S Chand group. NPPL is a wholly owned subsidiary of S Chand.

III. S Chand is a public limited company duly incorporated under provisions of the Companies Act, 1956 on September 9, 1970 bearing corporate identity number L22219DL1970PLC005400 and having its registered office at Ravindra Mansion, Ram Nagar, New Delhi-110055.The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Ltd.. S Chand is, *inert-alia*, engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books.

IV. DDPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on January 28, 2008 bearing corporate identity number U72200DL2008PTC173250 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. DDPL is, *inert-alia*, engaged in business of providing digital educational services. DDPL is a subsidiary of S Chand.

V. SDPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. SDPL is, *inert-alia*, engaged in business of rendering digital education. NPPL and S Chand are holding 40% and 60% of the share capital of SDPL, respectively. Therefore, SDPL is an indirect wholly owned subsidiary of S Chand.

Background of the Proposed Scheme:

We understand that the Proposed Scheme provides for:

a) **Part II**: amalgamation of BSPL and NPPL with and into S Chand. Pursuant to the amalgamation, shares of BSPL and NPPL held by S Chand shall automatically stand cancelled and be of no effect. Further, since S Chand is the only shareholder of BSPL and NPPL, therefore there shall not be any issue and allotment of shares by S Chand to itself or any of its nominee;

b) **Part III**: de-merger of Education Business (more particularly defined in the Proposed Scheme) of DDPL and SDPL with and into S Chand on a going-concern basis. Pursuant to effectiveness of Part II of the Scheme, SDPL shall become a direct wholly-owned subsidiary of S Chand. Further, pursuant to the demerger, S Chand shall not issue any shares either to itself and SDPL or any of the nominees. Further, S Chand shall issue its equity shares to the other shareholders of DDPL; and

c) **Part IV**: amalgamation of Remaining Business-I (more particularly defined in the Proposed Scheme) of DDPL with and into SDPL. Pursuant to the amalgamation, the equity and preference shares of DDPL held by SDPL shall automatically stand cancelled and be of no effect. Further, SDPL shall issue its shares to other shareholders of DDPL in consideration of the proposed amalgamation.

We understand that the Appointed Date of the Proposed Scheme is 01 April 2017 and that the Proposed Scheme is subject to regulatory approvals.

Scope and Purpose

S Chand has appointed B. Chhawchharia & Co, Chartered Accountants (Firm Regn. No. 305123E) ("**Valuer**"), to recommend a fair and equitable share exchange ratio for the proposed demerger of Education Business of DDPL with and into S Chand. Therefore, the Valuer issued a report dated 12th June 2019 recommending that equity shareholders of DDPL shall be entitled to receive 1 equity share of S Chand of Rs. 5/- each fully paid up for every 117 equity shares of DDPL of Rs. 10 each fully paid.

Also, S Chand has appointed Valuer, to recommend a fair and equitable share exchange ratio for the proposed amalgamation of DDPL with and into SDPL. Therefore, the Valuer issued a report dated 12th June 2019 recommending that equity shareholders of DDPL shall be entitled to receive 2 equity share of SDPL of Rs. 10/- each fully paid up for every 17 equity shares of DDPL of Rs. 10 each fully paid and that preference shareholders of DDPL shall be entitled to receive 2 preference shares of SDPL of Rs. 10/- each fully paid up for every 17 preference shares of DDPL of Rs. 10 each fully paid.

With reference to the above, the management of S Chand has approached us to ascertain the fairness of:

- Share exchange ratio determined by the Valuer for the de-merger of education business of DDPL with and into S Chand under the Proposed Scheme; and
- Share exchange ratio recommended by the Valuer for amalgamation of Remaining Business-I (more particularly defined in the Scheme) of DDPL with and into SDPL under the Proposed Scheme.

This fairness opinion has been issued in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 read with Circular No. CFD/DIL3/CIR/2017/21 dated 10 March, 2017 and Circular No. CFD/DIL3/CIR/2017/105 dated 21 September, 2017 each issued by the SEBI, as amended or replaced from time to time.

Source of information

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

a. Valuation report dated 12th June 2019 prepared by the Valuer providing for the share exchange ratio for the proposed demerger of education business of DDPL with and into S Chand;

b. Valuation report dated 12th June 2019 prepared by the Valuer providing for the share exchange ratio for the proposed amalgamation of remaining business of DDPL with and into SDPL;

c. Financial information and relevant management information of the Companies under the Proposed Scheme; and

d. Draft Proposed Scheme.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.

Conclusion

We have reviewed the valuation methodology adopted by the Valuer in arriving at the fair values of the shares of DDPL, S Chand and SDPL. We have also reviewed the workings of the share exchange ratios for:

1) the demerger of education business of DDPL with and into S Chand in relation to the Proposed Scheme; and

2) the amalgamation of DDPL with and into SDPL in relation to the Proposed Scheme.

Based on the information available to us and to the best of our knowledge and belief, the share exchange ratios as suggested

by the Valuer under the Proposed Scheme are *fair* in our opinion.

Exclusions and Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly attributable or provided or otherwise made available to us by the Companies. For the purpose of this opinion our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the Companies. We have solely relied upon the information provided to us by the Companies. We have not reviewed any books or records of the Companies (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities etc of the Companies and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by the Companies for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on this opinion. We are not legal, tax, regulatory or actuarial advisors.

We are financial advisors only and have relied upon, without independent verification, the assessment of the Companies with respect to these matters. In addition, we have assumed that the Scheme will be approved by the regulatory authorities and that the proposed Transaction will be consummated substantially in accordance with the terms set forth in the Scheme.

We understand that the management of the Companies during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Scheme, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that the Companies may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the Companies or any of its assets, nor did we negotiate with any other party in this regard.

It is understood that this letter is for the benefit of and confidential use by the Board of Directors of the Companies for the purpose of this Proposed Scheme and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, Statute, Act, guideline or similar instruction.

Management of the Companies should not make this report available to any party, including any regulatory or compliance authority/ agency except as mentioned above. This letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to the Companies underlying decision to effect to the Proposed Scheme or as to how the holders of equity shares or preference shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection to the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of S Chand will trade following the announcement of the Proposed Scheme or as to the financial performance of the Companies following the consummation of the transaction.

In no circumstances however, will Real Growth Securities Private Limited or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Real Growth Securities Private Limited or its associates, directors or employees by any third party, the Companies and their affiliates shall indemnify them.

For Real Growth Securities Private Limited

Gurpreet Kaur
Authorized Signatory
SEBI Registration No: INM000011492

STRICTLY PRIVATE AND CONFIDENTIAL

To 27 March 2018

The Board of Directors
S Chand and Company Limited
A-27, Mohan Cooperative Industrial Estate
New Delhi-110044

Ref: Proposed composite scheme of arrangement

Dear Sir(s)

Sub: Fairness opinion on the valuation carried out by B. Chhawahharia & Co., Chartered Accountants

This is with reference to the request made to us by the management of S Chand And Company Limited to provide fairness opinion on the valuation exercise carried out by B. Chhawahharia & Co., Chartered Accountants, for the proposed composite scheme of arrangement (Proposed Scheme) amongst Blackie & Son (Calcutta) Private Limited ("**BSPL**"), Nirja Publishers & Printers Private Limited ("**NPPL**"), DS Digital Private Limited ("**DDPL**"), Safari Digital Education Initiatives Private Limited ("**SDPL**") and S Chand And Company Limited ("**S Chand**") and their respective shareholders. For the sake of convenience BSPL, NPPL, DDPL, SDPL and S Chand are hereinafter collectively referred as "**Companies**".

Companies that are party to the proposed scheme

I. BSPL is a private limited duly incorporated under the provisions of the Companies Act, 1956 on October 9, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. BSPL is primarily earning its revenue from royalty on books. BSPL is a wholly owned subsidiary of S Chand;

II. NPPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar, Qutab Road, New Delhi-110055. NPPL is, *inert-alia*, engaged in the business of manufacturing paper and paper products, publishing, printing and reproduction of recorded media, binding of books for S Chand group. NPPL is a wholly owned subsidiary of S Chand.

III. S Chand is a public limited company duly incorporated under provisions of the Companies Act, 1956 on September 9, 1970 bearing corporate identity number L22219DL1970PLC005400 and having its registered office at Ravindra Mansion, Ram Nagar, New Delhi-110055.The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Ltd.. S Chand is, *inert-alia*, engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books.

IV. DDPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on January 28, 2008 bearing corporate identity number U72200DL2008PTC173250 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. DDPL is, *inert-alia*, engaged in business of providing digital educational services. DDPL is a subsidiary of S Chand.

V. SDPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. SDPL is, *inert-alia*, engaged in business of rendering digital education. NPPL and S Chand are holding 40% and 60% of the share capital of SDPL, respectively. Therefore, SDPL is an indirect wholly owned subsidiary of S Chand.

Background of the Proposed Scheme:

We understand that the Proposed Scheme provides for:

a) **Part II**: amalgamation of BSPL and NPPL with and into S Chand. Pursuant to the amalgamation, shares of BSPL and NPPL held by S Chand shall automatically stand cancelled and be of no effect. Further, since S Chand is the only shareholder of BSPL and NPPL, therefore there shall not be any issue and allotment of shares by S Chand to itself or any of its nominee;

b) **Part III**: de-merger of Education Business (more particularly defined in the Proposed Scheme) of DDPL and SDPL with and into S Chand on a going-concern basis. Pursuant to effectiveness of Part II of the Scheme, SDPL shall become a direct wholly-owned subsidiary of S Chand. Further, pursuant to the demerger, S Chand shall not issue any shares either to itself and SDPL or any of the nominees. Further, S Chand shall issue its equity shares to the other shareholders of DDPL; and

c) **Part IV**: amalgamation of Remaining Business-I (more particularly defined in the Proposed Scheme) of DDPL with and into SDPL. Pursuant to the amalgamation, the equity and preference shares of DDPL held by SDPL shall automatically stand cancelled and be of no effect. Further, SDPL shall issue its shares to other shareholders of DDPL in consideration of the proposed amalgamation.

We understand that the Appointed Date of the Proposed Scheme is 01 April 2017 and that the Proposed Scheme is subject to regulatory approvals.

Scope and Purpose

S Chand has appointed B. Chhawchharia & Co, Chartered Accountants (Firm Regn. No. 305123E) ("**Valuer**"), to recommend a fair and equitable share exchange ratio for the proposed demerger of Education Business of DDPL with and into S Chand. Therefore, the Valuer issued a report dated 19 January 2018 recommending that equity shareholders of DDPL shall be entitled to receive 1 equity share of S Chand of Rs. 5/- each fully paid up for every 117 equity shares of DDPL of Rs. 10 each fully paid.

Also, S Chand has appointed Valuer, to recommend a fair and equitable share exchange ratio for the proposed amalgamation of DDPL with and into SDPL. Therefore, the Valuer issued a report dated 19 January 2018 recommending that equity shareholders of DDPL shall be entitled to receive 2 equity share of SDPL of Rs. 10/- each fully paid up for every 17 equity shares of DDPL of Rs. 10 each fully paid and that preference shareholders of DDPL shall be entitled to receive 2 preference shares of SDPL of Rs. 10/- each fully paid up for every 17 preference shares of DDPL of Rs. 10 each fully paid.

With reference to the above, the management of S Chand has approached us to ascertain the fairness of:

- Share exchange ratio determined by the Valuer for the de-merger of education business of DDPL with and into S Chand under the Proposed Scheme; and
- Share exchange ratio recommended by the Valuer for amalgamation of Remaining Business-I (more particularly defined in the Scheme) of DDPL with and into SDPL under the Proposed Scheme.

This fairness opinion has been issued in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 read with Circular No. CFD/DIL3/CIR/2017/21 dated 10 March, 2017 and Circular No. CFD/DIL3/CIR/2017/105 dated 21 September, 2017 each issued by the SEBI, as amended or replaced from time to time.

Source of information

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

a. Valuation report dated 19 January 2018 prepared by the Valuer providing for the share exchange ratio for the proposed demerger of education business of DDPL with and into S Chand;

b. Valuation report dated 19 January 2018 prepared by the Valuer providing for the share exchange ratio for the proposed amalgamation of remaining business of DDPL with and into SDPL;

c. Financial information and relevant management information of the Companies under the Proposed Scheme; and

d. Draft Proposed Scheme.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.

Conclusion

We have reviewed the valuation methodology adopted by the Valuer in arriving at the fair values of the shares of DDPL, S Chand and SDPL. We have also reviewed the workings of the share exchange ratios for:

1) the demerger of education business of DDPL with and into S Chand in relation to the Proposed Scheme; and

2) the amalgamation of DDPL with and into SDPL in relation to the Proposed Scheme.

Based on the information available to us and to the best of our knowledge and belief, the share exchange ratios as suggested by the Valuer under the Proposed Scheme are *fair* in our opinion.

Exclusions and Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly attributable or provided or otherwise made available to us by the Companies. For the purpose of this opinion our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the Companies. We have solely relied upon the information provided to us by the Companies. We have not reviewed any books or records of the Companies (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities etc of the Companies and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by the Companies for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on this opinion. We are not legal, tax, regulatory or actuarial advisors.

We are financial advisors only and have relied upon, without independent verification, the assessment of the Companies with respect to these matters. In addition, we have assumed that the Scheme will be approved by the regulatory authorities and that the proposed Transaction will be consummated substantially in accordance with the terms set forth in the Scheme.

We understand that the management of the Companies during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Scheme, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that the Companies may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the Companies or any of its assets, nor did we negotiate with any other party in this regard.

It is understood that this letter is for the benefit of and confidential use by the Board of Directors of the Companies for the purpose of this Proposed Scheme and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, Statute, Act, guideline or similar instruction.

Management of the Companies should not make this report available to any party, including any regulatory or compliance authority/ agency except as mentioned above. This letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to the Companies underlying decision to effect to the Proposed Scheme or as to how the holders of equity shares or preference shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection to the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of S Chand will trade following the announcement of the Proposed Scheme or as to the financial performance of the Companies following the consummation of the transaction.

In no circumstances however, will Real Growth Securities Private Limited or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Real Growth Securities Private Limited or its associates, directors or employees by any third party, the Companies and their affiliates shall indemnify them.

For Real Growth Securities Private Limited

Rajesh Gupta
Director
SEBI Registration No: INM000011492

STRICTLY PRIVATE AND CONFIDENTIAL

To 16 November 2017

The Board of Directors
S Chand and Company Limited
A-27, Mohan Cooperative Industrial Estate
New Delhi-110044

Ref: Proposed composite scheme of arrangement

Dear Sir(s)

Sub: Fairness opinion on the valuation carried out by B. Chhawahharia & Co., Chartered Accountants

This is with reference to the request made to us by the management of S Chand And Company Limited to provide fairness opinion on the valuation exercise carried out by B. Chhawahharia & Co., Chartered Accountants, for the proposed composite scheme of arrangement (Proposed Scheme) amongst Blackie & Son (Calcutta) Private Limited ("**BSPL**"), Nirja Publishers & Printers Private Limited ("**NPPL**"), DS Digital Private Limited ("**DDPL**"), Safari Digital Education Initiatives Private Limited ("**SDPL**") and S Chand And Company Limited ("**S Chand**") and their respective shareholders. For the sake of convenience BSPL, NPPL, DDPL, SDPL and S Chand are hereinafter collectively referred as "**Companies**".

Companies that are party to the proposed scheme

I. BSPL is a private limited duly incorporated under the provisions of the Companies Act, 1956 on October 9, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. BSPL is primarily earning its revenue from royalty on books. BSPL is a wholly owned subsidiary of S Chand;

II. NPPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar, Qutab Road, New Delhi-110055. NPPL is, *inert-alia*, engaged in the business of manufacturing paper and paper products, publishing, printing and reproduction of recorded media, binding of books for S Chand group. NPPL is a wholly owned subsidiary of S Chand.

III. S Chand is a public limited company duly incorporated under provisions of the Companies Act, 1956 on September 9, 1970 bearing corporate identity number L22219DL1970PLC005400 and having its registered office at Ravindra Mansion, Ram Nagar, New Delhi-110055.The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Ltd.. S Chand is, *inert-alia*, engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books.

IV. DDPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on January 28, 2008 bearing corporate identity number U72200DL2008PTC173250 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. DDPL is, *inert-alia*, engaged in business of providing digital educational services. DDPL is a subsidiary of S Chand.

V. SDPL is a private limited company duly incorporated under provisions of the Companies Act, 1956 on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055. SDPL is, *inert-alia*, engaged in business of rendering digital education. NPPL and S Chand are holding 40% and 60% of the share capital of SDPL, respectively. Therefore, SDPL is an indirect wholly owned subsidiary of S Chand.

Background of the Proposed Scheme:

We understand that the Proposed Scheme provides for:

a) **Part II**: amalgamation of BSPL and NPPL with and into S Chand. Pursuant to the amalgamation, shares of BSPL and NPPL held by S Chand shall automatically stand cancelled and be of no effect. Further, since S Chand is the only shareholder of BSPL and NPPL, therefore there shall not be any issue and allotment of shares by S Chand to itself or any of its nominee;

b) **Part III**: de-merger of Education Business (more particularly defined in the Proposed Scheme) of DDPL and SDPL with and into S Chand on a going-concern basis. Pursuant to effectiveness of Part II of the Scheme, SDPL shall become a direct wholly-owned subsidiary of S Chand. Further, pursuant to the demerger, S Chand shall not issue any shares either to itself and SDPL or any of the nominees. Further, S Chand shall issue its equity shares to the other shareholders of DDPL; and

c) **Part IV**: amalgamation of Remaining Business-I (more particularly defined in the Proposed Scheme) of DDPL with and into SDPL. Pursuant to the amalgamation, the equity and preference shares of DDPL held by SDPL shall automatically stand cancelled and be of no effect. Further, SDPL shall issue its shares to other shareholders of DDPL in consideration of the proposed amalgamation.

We understand that the Appointed Date of the Proposed Scheme is 01 April 2017 and that the Proposed Scheme is subject to regulatory approvals.

Scope and Purpose

S Chand has appointed B. Chhawchharia & Co, Chartered Accountants (Firm Regn. No. 305123E) ("**Valuer**"), to recommend a fair and equitable share exchange ratio for the proposed demerger of Education Business of DDPL with and into S Chand. Therefore, the Valuer issued a report dated 14 November 2017 recommending that equity shareholders of DDPL shall be entitled to receive 1 equity share of S Chand of Rs. 5/- each fully paid up for every 95 equity shares of DDPL of Rs. 10 each fully paid.

Also, S Chand has appointed Valuer, to recommend a fair and equitable share exchange ratio for the proposed amalgamation of DDPL with and into SDPL. Therefore, the Valuer issued a report dated 14 November 2017 recommending that equity shareholders of DDPL shall be entitled to receive 2 equity share of SDPL of Rs. 10/- each fully paid up for every 17 equity shares of DDPL of Rs. 10 each fully paid and that preference shareholders of DDPL shall be entitled to receive 2 preference shares of SDPL of Rs. 10/- each fully paid up for every 17 preference shares of DDPL of Rs. 10 each fully paid.

With reference to the above, the management of S Chand has approached us to ascertain the fairness of:

- Share exchange ratio determined by the Valuer for the de-merger of education business of DDPL with and into S Chand under the Proposed Scheme; and
- Share exchange ratio recommended by the Valuer for amalgamation of Remaining Business-I (more particularly defined in the Scheme) of DDPL with and into SDPL under the Proposed Scheme.

This fairness opinion has been issued in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 read with Circular No. CFD/DIL3/CIR/2017/21 dated 10 March, 2017 and Circular No. CFD/DIL3/CIR/2017/105 dated 21 September, 2017 each issued by the SEBI, as amended or replaced from time to time.

Source of information

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

a. Valuation report dated 14 November 2017 prepared by the Valuer providing for the share exchange ratio for the proposed demerger of education business of DDPL with and into S Chand;

b. Valuation report dated 14 November 2017 prepared by the Valuer providing for the share exchange ratio for the proposed amalgamation of remaining business of DDPL with and into SDPL;

c. Financial information and relevant management information of the Companies under the Proposed Scheme; and

d. Draft Proposed Scheme.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.

Conclusion

We have reviewed the valuation methodology adopted by the Valuer in arriving at the fair values of the shares of DDPL, S Chand and SDPL. We have also reviewed the workings of the share exchange ratios for:

1) the demerger of education business of DDPL with and into S Chand in relation to the Proposed Scheme; and
2) the amalgamation of DDPL with and into SDPL in relation to the Proposed Scheme.

Based on the information available to us and to the best of our knowledge and belief, the share exchange ratios as suggested by the Valuer under the Proposed Scheme are *fair* in our opinion.

Exclusions and Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly attributable or provided or otherwise made available to us by the Companies. For the purpose of this opinion our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the Companies. We have solely relied upon the information provided to us by the Companies. We have not reviewed any books or records of the Companies (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities etc of the Companies and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by the Companies for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on this opinion. We are not legal, tax, regulatory or actuarial advisors.

We are financial advisors only and have relied upon, without independent verification, the assessment of the Companies with respect to these matters. In addition, we have assumed that the Scheme will be approved by the regulatory authorities and that the proposed Transaction will be consummated substantially in accordance with the terms set forth in the Scheme.

We understand that the management of the Companies during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Scheme, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that the Companies may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the Companies or any of its assets, nor did we negotiate with any other party in this regard.

It is understood that this letter is for the benefit of and confidential use by the Board of Directors of the Companies for the purpose of this Proposed Scheme and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, Statute, Act, guideline or similar instruction.

Management of the Companies should not make this report available to any party, including any regulatory or compliance authority/ agency except as mentioned above. This letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to the Companies underlying decision to effect to the Proposed Scheme or as to how the holders of equity shares or preference shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection to the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of S Chand will trade following the announcement of the Proposed Scheme or as to the financial performance of the Companies following the consummation of the transaction.

In no circumstances however, will Real Growth Securities Private Limited or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Real Growth Securities Private Limited or its associates, directors or employees by any third party, the Companies and their affiliates shall indemnify them.

For Real Growth Securities Private Limited

Rajesh Gupta
Director
SEBI Registration No: INM000011492

DCS/AMAL/PB/R37/1623/2019-20 December 2, 2019

The Company Secretary,
S Chand and Company Ltd
A-27, 2nd floor, Mohan Co-operative Industrial Estate,
New Delhi, Delhi, 110044

Sir,

Sub: Observation letter regarding the Draft Scheme of Compromises & Arrangement by S Chand and Company Ltd

We are in receipt of Draft Scheme of Arrangement by S Chand and Company ltd and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 27, 2019 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that Scheme shall be implemented only after seeking approval of the majority of public shareholders through postal ballot and e-voting."**
- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circular."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation,2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye- laws and Regulations of the Exchange, Listing Agreement, Guidelines/ Regulations issued by statutory authorities.

Please note that aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230(5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromise, Arrangement and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230(5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,
Nitinkumar Pujari
Senior Manager

Ref: NSE/LIST/14788_I December 03, 2019

The Company Secretary
S Chand and Company Limited
A-27, 2nd Floor, Mohan Co-operative
Industrial Estate, New Delhi-110044

Kind Attn.: Mr. Jagdeep Singh

Dear Sir,

Sub: **Observation Letter for Draft Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Private Limited and Nirja Publishers & Printers Private Limited and DS Digital Private Limited and Safari Digital Education Initiatives Private Limited and S Chand and Company Limited and their respective shareholders and creditors**

We are in receipt of the Draft Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Private Limited (Transferor Company-I), Nirja Publishers & Printers Private Limited (Transferor Company-II), DS Digital Private Limited (Transferor Company-III/ Demerged Company-I), Safari Digital Education Initiatives Private Limited (Transferee Company-II/ Demerged Company-II) and S Chand and Company Limited (Transferee Company-I) and their respective shareholders and creditors (Scheme) vide application dated January 08, 2019.

Based on our letter reference no Ref: NSE/LIST/14788 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated November 27, 2019 has given following comments:

a. *The Scheme shall be implemented only after seeking approval of the majority of public shareholders through postal ballot and e-voting.*

b. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange and from the date of the receipt of this letter is displayed on the website of the listed company.*

c. *The Company shall duly comply with various provisions of the Circular.*

d. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

e. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/ observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from December 03, 2019, within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited
Rajendra Bhosale
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

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

Sd/-
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

Sd/-
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

Sd/-
Arvind Mittal
Partner
Membership No. 509357

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

Blackie & Son (Calcutta) Pvt. Ltd.
CIN: U74899DL1979PTC014517
Balance sheet as at 31 March 2019

(Amount in ₹)

Particulars	Notes	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	55,300,023	55,300,023
- Loans	4C	2,000,000	2,000,000
Other non-current assets	5	-	-
Deferred tax assets (net)	6	158,960	203,064
Total non-current assets		**57,458,983**	**57,532,896**
Current assets			
Inventories	5A	-	-
Financial assets			
- Investments	4A	155,697	195,432
- Trade receivables	4B	3,100,129	1,683,411
- Loans	4C	9,199,561	8,555,278
- Cash and cash equivalents	4D	485,664	1,007,951
Other current assets	5	766,900	1,479,619
Total current assets		**13,707,951**	**12,921,691**
Total assets		**71,166,934**	**70,454,587**
Equity and liabilities			
Equity			
Equity share capital	7	149,000	149,000
Other equity			
- Retained earnings	8	24,657,591	23,616,815
- Other reserves	8	45,702,000	45,702,000
Total equity		**70,508,591**	**69,467,815**
Non-current liabilities			
Provisions	10	-	-
Other non-current liabilities	11	-	-
Total non current liabilities		**-**	**-**
Current liabilities			
Financial liabilities			
- Trade payables	9	319,231	212,270
Provisions	10	169,440	774,502
Other current liabilities	11	169,672	-
Total current liabilities		**658,343**	**986,772**
Total equity and liabilities		**71,166,934**	**70,454,587**
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

Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Ankita Gupta
Director
DIN: 00054090

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	1,388,939	1,870,457
II	Other Income	13	773,227	945,034
III	**Total Income (I+II)**		**2,162,166**	**2,815,491**
IV	**Expenses**			
	Employee benefits expense	14	-	-
	Finance cost	15	301	4,860
	Depreciation and amortisation expense	16	-	79,056
	Other expenses	17	369,861	243,008
	Total expenses		**370,162**	**326,924**
V	**Profit before exceptional items and tax (III-IV)**		**1,792,004**	**2,488,567**
VI	Exceptional item		-	-
VII	**Profit before tax**		**1,792,004**	**2,488,567**
VIII	**Tax expense:**			
	Current tax		451,852	719,371
	Income tax adjustment related to earlier years		255,272	11,731
	Deferred tax (credit)/ charge		44,104	86,245
	Total tax expenses		**751,228**	**817,347**
IX	**Profit for the period**		**1,040,776**	**1,671,220**
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) (Comprising Profit and Other Comprehensive Income for the period)**		**1,040,776**	**1,671,220**
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

Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
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	1,792,004	2,488,567
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	(771,427)	(894,754)
Fair value (gains)/loss on financial instruments	39,735	-
Dividend income	(1,800)	(1,800)
Operating profit before working capital changes	**1,088,322**	**1,671,069**
Movements in working capital :		
Decrease in trade payables	106,961	(123,325)
Decrease in provisions	-	-
(Decrease) / increase in other current liabilities	169,672	-
Decrease in trade receivables	(1,416,718)	14,799,334
Decrease in inventories	-	-
Increase in other assets	-	-
(Increase) / decrease in loans and advances	(644,283)	(7,355,278)
Cash generated from operating activities	**(696,046)**	**8,991,800**
Direct taxes paid (net of refunds)	(599,468)	(630,853)
Net cash flow from operating activities (A)	**(1,295,514)**	**8,360,947**
Cash flows from investing activities		
Investment in Subsidiary	-	(10,200,023)
Dividends received	1,800	1,800
Interest received	771,427	894,754
Net cash flow from investing activities (B)	**773,227**	**(9,303,469)**
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)	(522,287)	(942,520)
Cash and cash equivalents at the beginning of the period/year	1,007,951	1,950,471
Cash and cash equivalents at the end of the period/year	**485,664**	**1,007,951**
Components of cash and cash equivalents		
Cash on hand	13	63
Balances with banks		
- on current account	485,651	1,007,888
Total cash and cash equivalents (note 15)	**485,664**	**1,007,951**
Summary of significant accounting policies (refer note 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

Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
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	149,000
Issued during the year	-	-
At 31 March 2018	149	149,000
Issued during the year	-	-
At 31 March 2019	**149**	**149,000**

B. Other equity

Particulars	Reserve & Surplus			Total
	Retained earnings	General reserve	Security Premium	
As at 1st April 2017	21,945,595	21,600,000	24,102,000	**67,647,595**
Profit for the year	1,671,220	-	-	1,671,220
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the year	**1,671,220**	**-**	**-**	**1,671,220**
As at 31st March 2018	**23,616,815**	**21,600,000**	**24,102,000**	**69,318,815**
Profit for the year	1,040,776	-	-	1,040,776
Other comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the year	**1,040,776**	**-**	**-**	**1,040,776**
As at 31st March 2019	**24,657,591**	**21,600,000**	**24,102,000**	**70,359,591**

Summary of significant accounting policies (refer note 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

Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Ankita Gupta
Director
DIN: 00054090

3A. Property, plant and equipment **(Amount in ₹)**

Particulars	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 **(Amount in ₹)**

Particulars	License Fee	Total
Cost*		
As at 1 April 2017	474,171	474,171
Additions	-	-
Disposals	-	-
As at 31 March 2018	474,171	474,171
Additions	-	-
Disposals	-	-
As at 31 March 2019	474,171	474,171
Accumulated depreciation		
As at 1 April 2017	395,115	395,115
Charge for the year	79,056	79,056
Disposals	-	-
As at 31 March 2018	474,171	474,171
Charge for the year	-	-
Disposals	-	-
As at 31 March 2019	474,171	474,171
Net block		
As at 1 April 2017	**79,056**	**79,056**
As at 31 March 2018	-	-
As at 31 March 2019	-	-

4. **Financial Assets**

4A. **Investments** **(Amount in ₹)**

	Particulars	**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 5,73,750) shares of ₹ 10 each fully paid up in M/s BPI India Private Limited	55,300,023	55,300,023
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	154,280	190,920
	10,000 (Previous year 10,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-	-
	Net investments	**55,455,720**	**55,495,455**
	Current	**155,697**	**195,432**
	Non-Current	**55,300,023**	**55,300,023**

4B. **Trade receivables** **(Amount in ₹)**

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Trade receivables		
Unsecured, considered good	3,100,129	1,683,411
Doubtful		-
	3,100,129	**1,683,411**
Other receivables		
Unsecured, considered good	-	-
	-	**-**
Net Trade receivables	**3,100,129**	**1,683,411**
Current	**3,100,129**	**1,683,411**
Non-Current	**-**	**-**

4C. **Loans** **(Amount in ₹)**

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Loans and advances to related parties		
Unsecured, considered good	7,999,561	7,305,278
Advances recoverable in cash or kind (refer note (a) below)		
Unsecured, considered good	1,200,000	1,250,000
Other loans		
Unsecured, considered good	2,000,000	2,000,000
Total Loans and Advances	**11,199,561**	**10,555,278**
Current	**9,199,561**	**8,555,278**
Non-Current	**2,000,000**	**2,000,000**

4D. Cash and cash equivalents **(Amount in ₹)**

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- In current accounts	485,651	1,007,888
Cash in hand	13	63
Total Cash and cash equivalents	**485,664**	**1,007,951**
Current	**485,664**	**1,007,951**
Non-Current	**-**	**-**

5. Other Assets **(Amount in ₹)**

Particulars	As at 31 March 2019	As at 31 March 2018
Income Tax Refund	766,900	1,479,619
Accrued income	-	-
Total Other assets	**766,900**	**1,479,619**
Current	**766,900**	**1,479,619**
Non-Current	**-**	**-**

5A. Inventories **(Amount in ₹)**

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

6. Deferred taxes **(Amount in ₹)**

Particulars	As at 31 March 2019	As at 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	158,960	177,314
Others	-	25,750
Total deferred tax assets	**158,960**	**203,064**
Items leading to creation of deferred tax liabilities		
Others	-	-
Total deferred tax liabilities	**-**	**-**
Net deferred tax assets/(liabilities)	**158,960**	**203,064**

7. Share Capital

Particulars	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)	500,000	500,000
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)	149,000	149,000
	149,000	**149,000**

7A. Issued, subscribed and fully paid equity capital

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

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 **(Amount in ₹)**

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	149,000	149,000
149 (31 March 2019: 149) equity shares of ₹ 1000 each fully paid up		
(1 share held in the name of Mr. Himanshu Gupta as nominee of or benificial interest of S Chand and Company Limited)		

7D. 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** **(Amount in ₹)**

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Securities Premium Account		
Balance at the beginning of the year	24,102,000	24,102,000
Increase/(decrease) during the year	-	-
Balance at the end of the year	**24,102,000**	**24,102,000**
General Reserve		
Balance at the beginning of the year	21,600,000	21,600,000
Increase/(decrease) during the year	-	-
Balance at the end of the year	**21,600,000**	**21,600,000**
Retained earnings		
Balance at the beginning of the year	23,616,815	21,945,595
Profit/(loss) for the year	1,040,776	1,671,220
Balance at the end of the year	**24,657,591**	**23,616,815**

9. **Trade payables** **(Amount in ₹)**

Particulars	**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	319,231	212,270
Total Trade payables	**319,231**	**212,270**
Current	**319,231**	**212,270**
Non current	**-**	**-**

10. **Provisions** **(Amount in ₹)**

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Provision for gratuity	-	-
Provision for income tax (net of advance tax)	169,440	774,502
Total Provisions	**169,440**	**774,502**
Current	**169,440**	**774,502**
Non current	**-**	**-**

11. **Other liabilities** **(Amount in ₹)**

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Statutory dues	169,672	-
Total Other liabilities	**169,672**	**-**
Current	**169,672**	**-**
Non current	**-**	**-**

12. **Revenue From Operations** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of services		
Royalty Income	1,388,939	1,870,457
Total revenue from operations	**1,388,939**	**1,870,457**

13. **Other Incomes** (Amount in ₹)

13.1 **Finance Income**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income		
- on others	771,427	894,754
Total finance income	**771,427**	**894,754**

13.2 **Other Income** (Amount in ₹)

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

14. **Employee Benefits Expenses** (Amount in ₹)

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	4,860
Total finance cost	**301**	**4,860**

16. **Depreciation and Amortization Expneses** (Amount in ₹)

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

17. **Other Expenses** **(Amount in ₹)**

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Legal and professional fee	158,666	148,518
Payment to auditor (refer details below)	141,600	94,400
Interest on TDS	-	-
Fair value loss on financial instruments	39,735	-
Loss on sale of fixed assets (net)	29,810	-
Miscellaneous expenses	50	90
Total other expenses	**369,861**	**243,008**

Payment to auditor

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
As auditor		
Audit fee	141,600	94,400
Out of pocket expenses	-	-
	141,600	**94,400**

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	1,040,776	1,671,220
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	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 represent 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 Jhunjhnuwala, 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	-	16,500,000	-	16,500,000
Loans repayment received					
D S Digital Pvt. Ltd.	**31 March 2019**	**-**	**-**	**-**	**-**
	31 March 2018	-	10,000,000	-	10,000,000
Interest income from loan given					
D S Digital Pvt. Ltd.	**31 March 2019**	**-**	**771,427**	**-**	**771,427**
	31 March 2018	-	894,754	-	894,754
Royalty					
S Chand and Company Limited	**31 March 2019**	**1,388,939**	**-**	**-**	**1,388,939**
	31 March 2018	1,870,457	-	-	1,870,457
Investment In Subsidiary					
BPI (India) Pvt. Ltd.	**31 March 2019**	**-**	**-**	**-**	**-**
	31 March 2018	-	10,200,023	-	10,200,023

20.

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**	**-**	**7,999,561**	**-**	**7,999,561**
	31 March 2018	-	7,305,278	-	7,305,278
Trade Receivable					
S Chand and Company Limited	**31 March 2019**	**3,100,129**	**-**	**-**	**3,100,129**
	31 March 2018	1,683,411	-	-	1,683,411
Vikas Publishing House Pvt. Ltd.	**31 March 2019**	-	-	-	-
	31 March 2018	-	-	-	-
Investment In Subsidiary					
BPI (India) Pvt. Ltd.	**31 March 2019**	**-**	**55,300,023**	**-**	**55,300,023**
	31 March 2018	-	55,300,023	-	55,300,023

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: **(Amount in ₹)**

Particulars	31 March 2019			31 March 2018		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Assets						
Non Current Financial assets						
- Investment	-	55,300,023	-	-	55,300,023	-
Current Financial assets						
- Investment	-	155,697	-	-	195,432	-
- Trade receivables	3,100,129	-	-	1,683,411	-	-
- Loans	9,199,561	-	-	8,555,278	-	-
- Cash and cash equivalents	485,664	-	-	1,007,951	-	-
Current Financial liabilities						
- Trade payables	319,231	-	-	212,270	-	-

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 clasified as fair value through profit & loss (FVTPL). Hence the company has not classified its financial instruments into three levels of fair value measurment 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 dislosures 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
ICAI Firm registration number : 012493N
Chartered Accountants

Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Ankita Gupta
Director
DIN: 00054090

INDEPENDENT AUDITOR'S REPORT

To the Members of Nirja Publishers and Printers Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Nirja Publishers and Printers Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board of Directors Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard

Responsibility of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the [Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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.
- Obtain an understanding of internal control 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 operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   g) According to the information and explanation given by the management, we report that remuneration of the Managing Director for the year ended March 31, 2019 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 1.2 million. We are informed by the management that it is in the process of recovering the excess amount from the director;
   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 disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note XX to the Ind AS financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per Yogesh Midha
Partner
Membership Number: 94941

Place of Signature: New Delhi
Date: May 27, 2019

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

Re: Nirja Publishers and Printers Private Limited ('the Company')

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable interval during the year and no material discrepancies noted on such verification.

(iii) (a) The Company has granted loans to two firms covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted loans to a firm covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/ receipts are regular.

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

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act 2013, for the product/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	**Nature of the Dues**	**Amount (Rs.)**	**Period to which the amount relates**	**Due Date**	**Remarks**
Payment of Bonus Act'1965	Bonus	768,862	FY 14-15- and FY 15-16	Within 8 months from the date the close of accounting year	Rs. 335,559/- paid on May 14, 2019.

(c) According to the information and explanations given to us, the dues outstanding of income tax on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	39,472,967	AY 2011-12	ITAT
Income Tax Act, 1961	Income Tax	35,438,380	AY 2012-13	ITAT

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

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given by the management, we report that remuneration of the Managing Director for the year ended March 31, 2019 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 1.2 million. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution. We are informed by the management that it is in the process of recovering the excess amount from the director.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: May 27, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NIRJA PUBLISHERS AND PRINTERS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Nirja Publishers and Printers Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

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

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are 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 With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: May 27, 2019

Nirja Publishers & Printers Private Limited
Balance Sheet as at 31 March 2019
CIN: U74899DL1971PTC005776

(Amount in ₹)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	63,890,349	66,563,686
Financial assets			
- Investments	4A	206,758,790	206,718,435
- Loans	4C	350,409,662	287,286,392
- Other financial assets	5	-	70,939
Other non-current assets	7	-	319,307
Deferred tax assets (net)	8	79,539,135	80,068,994
Total non-current assets		**700,597,936**	**641,027,753**
Current assets			
Inventories	6	9,333,435	13,602,767
Financial assets			
- Trade receivables	4B	64,157,020	168,020,648
- Loans	4C	986,317	94,129
- Cash and cash equivalents	4D	58,977,051	5,066,553
- Other financial assets	5	70,939	6,840,318
Other current assets	7	2,959,717	5,198,828
Total current assets		**136,484,479**	**198,823,243**
Total assets		**837,082,415**	**839,850,996**
Equity and liabilities			
Equity			
Equity share capital	9	120,000	120,000
Other equity			
- Retained earnings	10	703,978,305	664,165,126
- Other reserves	10	54,200,000	54,200,000
Total equity		**758,298,305**	**718,485,126**
Non-current liabilities			
Financial liabilities			
Borrowings	11B	4,084,981	7,030,415
Provisions	14	2,715,633	2,765,932
Deferred tax Liability (net)	8	399,784	-
Total non current liabilities		**7,200,398**	**9,796,347**
Current liabilities			
Financial liabilities			
- Borrowings	11A	-	42,639,207
- Trade payables	12		
Micro & Small enterprise		27,187	-
Other than Micro & Small enterprise		58,532,500	61,468,603
- Other financial liabilities	13	6,773,932	6,353,373
Provisions	14	3,084,325	99,220
Other current liabilities	15	3,165,768	1,009,120
Total current liabilities		**71,583,712**	**111,569,523**
Total equity and liabilities		**837,082,415**	**839,850,996**
Summary of significant accounting policies	2.1		

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants
Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 27 May 2019

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Meenu Aggarwal
Finance Head

Nirja Publishers & Printers Private Limited
Statement of profit and loss for the year ended 31 March 2019
CIN: U74899DL1971PTC005776

(Amount in ₹)

		Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
I	Revenue from operations	16	226,523,174	151,232,608
II	Other income	17	35,061,209	30,090,768
III	**Total Income (I+II)**		261,584,383	181,323,376
IV	**Expenses**			
	Cost of raw materials and components consumed	18	135,997,694	78,609,208
	(Increase)/decrease in inventories of finished goods and work in progress	20	(1,234,504)	(81,601)
	Publication expenses	19	19,811,494	12,510,769
	Selling and distribution expenses	21	4,048,314	3,422,620
	Employee benefits expense	22	17,963,844	19,496,624
	Finance cost	24	7,836,127	2,924,688
	Depreciation and amortisation expense	23	5,028,886	2,983,150
	Other expenses	25	20,008,015	20,196,377
	Total expenses		**209,459,870**	**140,061,835**
V	**Profit before tax (III-IV)**		**52,124,513**	**41,261,541**
VI	**Tax expense:**			
	Current Tax		10,608,617	8,412,753
	Mat credit availed		(1,149,201)	(1,038,307)
	Adjustment of tax relating to earlier periods		2,162,368	112,051
	Deferred tax charge		710,952	837,258
	Total tax expenses		**12,332,736**	**8,323,755**
VII	**Profit for the year (V-VI)**		**39,791,777**	**32,937,786**
VIII	**Other comprehensive income**			
	- Items not be reclassified to profit or loss in subsequent year	26		
	Re-measurement gains/(losses) on defined benefit plans		29,541	212,401
	Tax impact on re-measurement gains/(losses) on defined benefit plans		(8,139)	(58,522)
IX	**Total Comprehensive Income for the year (VII + VIII) (Comprising profit and other comprehensive income for the year)**		**39,813,179**	**33,091,665**
X	**Earnings per equity share:**	27		
	(1) Basic		3,316	2,745
	(2) Diluted		3,316	2,745
	Summary of significant accounting policies	2.1		

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants
Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 27 May 2019

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Meenu Aggarwal
Finance Head

Nirja Publishers & Printers Private Limited
Cash flow statement for the year ended 31 March 2019
CIN: U74899DL1971PTC005776

	31 March 2019 (Amount in ₹)	31 March 2018 (Amount in ₹)
Cash flow from operating activities		
Profit before tax	52,124,513	41,261,541
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation & amortisation expenses	5,028,886	2,983,150
Provision for doubtful debts written back	(747,250)	(205,436)
Re-measurement gains/(losses) on defined benefit plans	(40,355)	31,600
Fair valuation loss/(gain) current investment	7,168,901	2,488,025
Interest expense	(33,184,321)	(29,525,140)
Interest income	-	(1,300)
Dividend income	-	-
Operating profit before working capital changes	**30,350,374**	**17,032,440**
Movements in working capital :		
(Decrease)/increase in trade payables	(2,908,916)	39,633,876
Increase in provisions	309,800	727,269
Increase in other current liabilities	2,156,648	549,137
Increase/(decrease) in other financial liabilities	145,729	(613,645)
Decrease in trade receivables	104,610,878	24,947,551
Decrease/(increase) in inventories	4,269,332	(4,136,860)
(Increase) in loans and advances	(984,425)	(238,943)
Decrease/(Increase) in non current assets	2,319,409	(4,737,317)
Cash generated from operating activities	**140,268,829**	**73,163,508**
Direct taxes paid (net of refunds)	(8,517,676)	(1,602,754)
Net cash flow from operating activities (A)	**131,751,153**	**71,560,754**
Cash flows from investing activities		
Purchase of fixed assets including work-in-progress and capital advance	(2,355,549)	(50,466,100)
Dividends received	-	1,300
Investment in fixed deposit having maturity more than 3 months	6,775,000	(6,775,000)
Loan given to related parties	(63,031,033)	(50,999,711)
Interest received	33,249,639	29,459,822
Net cash flow from investing activities (B)	**(25,361,943)**	**(78,779,689)**
Cash flows from financing activities		
(Repayment)/ Proceeds of long-term borrowings (net)	(2,712,676)	10,000,000
(Repayment)/ Proceed from short-term borrowings (net)	(42,639,207)	4,570,261
Interest paid	(7,126,829)	(2,488,025)
Net cash used in in financing activities (C)	**(52,478,712)**	**12,082,236**
Net increase in cash and cash equivalents (A + B + C)	53,910,498	4,863,301

	31 March 2019 (Amount in ₹)	31 March 2018 (Amount in ₹)
Cash and cash equivalents at the beginning of the year	5,066,553	203,252
Cash and cash equivalents at the end of the year	**58,977,051**	**5,066,553**
Components of cash and cash equivalents		
Cash on hand	20,481	10,881
Cheques in hand	16,452,304	4,825,447
Balances with banks		
- on current account	42,504,266	230,225
Total cash and cash equivalents (note 14)	**58,977,051**	**5,066,553**
	-	**-**

Reconciliation of liabilities arising from financing activities **(Amount in ₹)**

	Long term borrowings (including current maturities)	Short term borrowings
As at 31 March 2018	10,000,000	42,639,207
Cash flows	(2,712,676)	(42,639,207)
Non cash changes	-	-
As at 31 March 2019	**7,287,324**	**-**
Summary of significant accounting policies	**2.1**	

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

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

Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 27 May 2019

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Meenu Aggarwal
Finance Head

Nirja Publishers & Printers Private Limited
Statement of changes in equity for the year ended 31 March 2019
CIN: U74899DL1971PTC005776

A. Equity share capital:

	No. of shares	Amount in ₹
Issued, subscribed and fully paid up (share of ₹ 10 each)		
At 31 March 2018	12,000	120,000
At 31 March 2019	12,000	120,000

B. Other equity

	Reserve & Surplus		Total
	Retained earnings	General reserve	
As at 1 April 2017	631,073,461	54,200,000	**685,273,461**
Profit for the year	32,937,786	-	**32,937,786**
Other comprehensive income for the year	153,879	-	**153,879**
Total Comprehensive Income for the year	**33,091,665**	**-**	**33,091,665**
As at 31 March 2018	**664,165,126**	**54,200,000**	**718,365,126**
As at 1 April 2018	664,165,126	54,200,000	718,365,126
Profit for the year	39,791,777	-	**39,791,777**
Other comprehensive income for the year	21,402	-	**21,402**
Total Comprehensive Income for the year	**39,813,179**	**-**	**39,813,179**
As at 31 March 2019	**703,978,305**	**54,200,000**	**758,178,305**

Summary of significant accounting policies (refer note 2.1)

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

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

Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 27 May 2019

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Meenu Aggarwal
Finance Head

Corporate information

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

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

1. Significant accounting policies

1.1 Basis of preparation

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

For all periods up to and including the year ended 31 March 2017, the Company prepared its unconsolidated financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounting Standards) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP).

The financial statements have been prepared on a historical cost convention, except for certain financial assets and liabilities measured at fair value.

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

1.2 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:

i. It is expected to be realised or intended to sold or consumed in normal operating cycle

ii. It is held primarily for the purpose of trading

iii. It is expected to be realised within twelve months after the reporting period, or

iv. 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:

i. It is expected to be settled in normal operating cycle

ii. It is held primarily for the purpose of trading

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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.

1.3 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 the Statement of Profit and Loss.

1.4 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:

i. in the principal market for the asset or liability, or

ii. 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:

i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

iii. 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. Involvement of external valuer is decided upon annually by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company's management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company's management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions (Refer 2.20)

ii. Quantitative disclosures of fair value measurement hierarchy (Note 42)

iii. Investment in unquoted equity shares (Note 4A)

iv. Financial instruments (including those carried at amortised cost) (Note 42)

1.5 Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from sale of books is recognised at the point in time when control of the asset is transferred to the customer, i.e. at the time of handing over goods to the carrier for transportation

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of books, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Rendering of services

The company provides job work services to its customers. The Company recognises revenue over time, using the output method measuring the completion of different stages of consultancy project relative to the total completion the service, because the customer receives and consumes the benefits provided by the Company over the time.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some of the contracts with customer provide a right to customer of cash rebate/discount if payment is cleared within specified due dates.

- **Rights of return**

  Certain contracts provide a customer with a right to return the goods within a specified period. The provision for anticipated returns is made primarily on the basis of historical return rates as this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

- **Volume rebates**

  The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

- **Cash rebates**

  The Company provides cash rebates to certain customers if customers make the payment within the stipulated time given in the contract. The provision for cash discount is made on estimated basis based on historical trends. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable for all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the

gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividend income

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

Ind AS 115 adoption

Ind AS 115 supersedes Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be 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.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and comparative information is not restated in the financial statements. Further there were no significant adjustments required to the retained earnings at April 1, 2018. The adoption of the standard did not have any material impact on the recognition and measurement of revenue and related items in the financial results.

1.6 Income taxes

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

Current income tax

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

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

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

Deferred tax

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

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

i. 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

ii. 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:

i. 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

ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

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

Minimum alternate tax (MAT) paid in a period is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognizes MAT credit as an asset in accordance with the

Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the company does not have Convincing evidence that it will pay normal tax during the specified period.

1.7 Property, plant and equipment

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

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

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

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

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

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

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

Depreciation on property, plant & equipment

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

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

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

Category of assets	Useful life as adopted by management	Useful life as per Schedule II
Plant and equipment	25 years	15 years
Furniture and fixture	10 years	10 years
Office equipment	5 years	5 years

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

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

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

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and machinery, vehicles, computers and building over estimated useful lives which are different from useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

1.8 Intangible assets

Under the previous GAAP (Indian GAAP), intangible assets were carried in the balance sheet at cost, net of accumulated amortization and accumulated impairment losses, if any. The Company has elected to continue with the carrying value for all its item of intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date, viz, April 01, 2016.

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with no adjustments. (Refer Note 4).

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of profit or loss when it is incurred.

Amortisation

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

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Research and development costs

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

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale. Its intention to complete the asset.

ii. Its ability to use or sell the asset. How the asset will generate future economic benefits

iii. The availability of adequate resources to complete the development and to use or sell the asset

iv. The ability to measure reliably the expenditure attributable to the intangible asset during development.

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

During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is as follows:

Intangible assets	Useful lives	Amortization method used	Internally generated or acquired
Computer software	Finite (5 years)	Amortized on straight line basis over the period of useful lives	Acquired
Copyrights	Finite (5 years)	Amortized on straight line basis over the period of copyright	Acquired
Goodwill on business combination	In-definite	No amortization	Acquired

1.9 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.10 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.

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.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in first out (FIFO) basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on First in first out (FIFO) basis.

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

1.12 Impairment of non-financial assets

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

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

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

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss

was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

1.13 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

i. Debt instruments at amortised cost

ii. Debt instruments at fair value through other comprehensive income (FVTOCI)

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instrument at amortised cost

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

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii. 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 instruments is classified as at the FVTOCI if both of the following criteria are met:

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

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

Equity instruments at FVTOCI

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

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

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

Financial Asset at FVTPL

FVTPL is a residual category for financial asset. 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.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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:

- Financial assets that are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are measured as at FVTOCI
- Lease receivables under Ind-AS 17.
- Contract assets and trade receivables under Ind-AS 18.
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

i. Trade receivables, and

ii. All lease receivables resulting from transactions within the scope of Ind AS 17.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit & loss. The balance sheet presentation for various financial instruments is described below:

The balance sheet presentation for various financial instruments is described below:-

a) For financial assets measured as at amortised cost and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Financial guarantee, issued in relation to obligation of subsidiaries are initially recognised at their fair value (as a part of cost of investment in the subsidiary)

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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.

1.14 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit plan for its employees i.e. gratuity. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation at each reporting date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

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

1.15 Provisions

General

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

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

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

1.16 Contingent Liability

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

1.17 Decommissioning liability

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

as appropriate. Changes in the estimated future costs or in the discount rate applied are added or deducted from the cost of the asset.

1.18 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.

1.19 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.

1.20 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgement

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of books include cash rebates and volume rebates and a right to return the goods that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

B. Estimates and assumptions

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

Taxes

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

Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 29.

Provision for trade receivable

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible.

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 represent management's best estimate about future developments.

Estimating variable consideration for right of return, volume rebates and cash rebates

Certain contracts for the sale of books include a right of return, volume rebates and cash rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company estimates variable considerations to be included in the transaction price for the sale of electricity with cash rebates.

1.21 Standards issued but not yet effective

a. Ind AS 116 "Leases"

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April, 01, 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 lessees – leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on 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.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

(a) Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

(b) Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

(a) Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

(b) An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The company is under the process of evaluation of available transition options and a reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once Company completes its assessment.

b. Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

c. Amendment to Ind AS 12: Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

d. Amendment to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to re-measure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.

- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to re-measure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

e. Amendment to Ind AS 109: Prepayment Feature with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019.

The company is under the process of evaluation impact on the financial statements of the Company.

f. Amendment to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The amendments should be applied retrospectively in accordance with Ind AS 8 for annual reporting periods on or after 1 April 2019.

The company is under the process of evaluation impact on the financial statements of the Company.

g. Annual improvement to Ind AS (2018);

These improvements include:

Amendments to Ind AS 103: Party to a Joint Arrangements obtains control of a business that is a Joint Operation

The amendments clarify that, when an party to a joint arrangement obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Company but may apply to future transactions.

Amendments to Ind AS 111: Joint Arrangements

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not re-measured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Company but may apply to future transactions.

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

3. Property, plant and equipment

(Amount in ₹)

	Plant & equipment	Furniture & Fixtures	Vehicles	Office equipment	Computer	Leasehold Improvement	Total
Cost							
At 1 April 2017	**18,475,051**	**548,003**	**-**	**1,626,056**	**193,422**	**1,299,229**	**22,141,761**
Additions	31,161,122		18,400,933	904,045	-	-	50,466,100
Disposals	-	-	-	-	-	-	-
At 31 March 2018	**49,636,173**	**548,003**	**18,400,933**	**2,530,101**	**193,422**	**1,299,229**	**72,607,861**
Additions	**2,275,400**	**-**	**-**	**80,149**	**-**	**-**	2,355,549
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 March 2019	**51,911,573**	**548,003**	**18,400,933**	**2,610,250**	**193,422**	**1,299,229**	**74,963,410**
Accumulated depreciation							
At 1 April 2017	**2,001,621**	**158,095**	**-**	**609,298**	**46,967**	**331,022**	**3,147,003**
Charge for the year	1,736,149	54,950	515,652	229,143	23,947	337,331	2,897,172
Disposals	-	-	-	-	-	-	**-**
At 31 March 2018	**3,737,770**	**213,045**	**515,652**	**838,441**	**70,914**	**668,353**	**6,044,175**
Charge for the year	**2,506,218**	**54,950**	**1,748,057**	**358,383**	**23,947**	**337,331**	5,028,886
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 March 2019	**6,243,988**	**267,995**	**2,263,709**	**1,196,824**	**94,861**	**1,005,684**	**11,073,061**
Net block							
As at 31 March 2018	**45,898,403**	**334,958**	**17,885,281**	**1,691,660**	**122,508**	**630,876**	**66,563,686**
As at 31 March 2019	**45,667,585**	**280,008**	**16,137,224**	**1,413,426**	**98,561**	**293,545**	**63,890,349**

*Vehicles under loan contracts at 31 March 2019 was ₹10,239,607 (31 March 2018: ₹11,315,408). Additions during the year include ₹ Nil (31 March 2018: ₹11,324,716) of Vehicles purchased on Loan. Loaned assets are pledged as security for the related loan.

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

Particulars	**(Amount in ₹)**
Depreciation as per written down value method	6,766,075
Depreciation as per straight line method	2,897,172
Profit for previous year increased by	**3,868,903**

4. Financial assets

4A. Non- current investments

(Amount in ₹)

		As at 31 March 2019	As at 31 March 2018
a.	**Trade investments (valued at cost unless stated otherwise)**		
	Investments in equity shares (Unquoted)		
	Investments in subsidiary of holding company		
	17,785,000 (31 March 2018: 17,785,000 and 31 March 2017 : 17,785,000) equity shares in Safari Digital Education Initiative Private Limited	177,850,000	177,850,000
	801 (31 March 2018: 801 and 31 March 2017: 801) equity shares in Vikas Publishing House Private Limited	28,695,165	28,695,165
		206,545,165	**206,545,165**
b.	**Investments at Fair value through profit and loss**		
i.	**Investments in equity shares (Quoted)**		
	500 (31 March 2018: 500 and 31 March 2017: 500) shares of ₹ 10 each fully paid up in State Bank of India	160,375	124,950
	200 ((31 March 2018: 200 and 31 March 2017: 200) shares of ₹ 10 each fully paid up in Oriental Bank of Commerce	23,250	18,320
		183,625	**143,270**

ii	**Investments in Government and Trust securities (Unquoted)**		
	National Savings Certificates	30,000	30,000
		30,000	**30,000**
	Net investments	**206,758,790**	**206,718,435**
	Aggregate amount of quoted investments	**183,625**	**143,270**
	Aggregate amount of unquoted investments	206,575,165	206,575,165
	Aggregate amount of impairment in value of investments	-	-

4B. Trade receivables

(Amount in ₹)

	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	64,157,020	168,020,648
Receivable which have significant increase in credit risk	-	747,250
Receivable credit impaired	-	-
	64,157,020	**168,767,898**
Less: Allowance for expected credit loss		
Secured, considered good	-	-
Unsecured, considered good	-	-
Receivable which have significant increase in credit risk	-	(747,250)
Receivable credit impaired	**-**	**-**
	-	**(747,250)**
Net trade receivables		
Secured, considered good	**-**	**-**
Unsecured considered good	64,157,020	168,020,648
Receivable which have significant increase in credit risk	**-**	**-**
Receivable credit impaired	-	-
	64,157,020	**168,020,648**
Trade receivables from related parties (refer note 31)	**63,257,603**	**168,767,898**

The movement in impairment of trade receivables is as follows:

	As at 31 March 2019	As at 31 March 2018
Opening balance	747,250	952,686
Additions/ (Reversals)	(747,250)	(205,436)
Closing balance	**-**	**747,250**

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

4C. Loans

	As at 31 March 2019	As at 31 March 2018
		(Amount in ₹)
Security deposits - Non- current	1,176,704	1,084,467
Security deposits - Current	53,870	53,870
Loan to related parties (refer note 31)	349,232,958	286,201,925
Advances recoverable in cash or kind (refer note (a) below)	932,447	40,259
Total	**351,395,979**	**287,380,521**
Current	**986,317**	**94,129**
Non-Current	**350,409,662**	**287,286,392**
Note (a)		
Advances recoverable in cash or kind		
Considered good, unsecured	932,447	40,259
Considered good, secured	-	-
Recoverable which have significant increase in credit risk	-	-
Recoverable - credit impaired	-	-
	932,447	40,259
Less: Allowance for expected credit loss	-	-
	932,447	**40,259**

4D. Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
		(Amount in ₹)
Balances with banks		
- In current accounts	42,504,266	230,225
Cash in hand	20,481	10,881
Cheques in hand	16,452,304	4,825,447
Total	**58,977,051**	**5,066,553**
Current	**58,977,051**	**5,066,553**
Non-Current	**-**	**-**

5. Other financial assets

	As at 31 March 2019	As at 31 March 2018
		(Amount in ₹)
Margin money deposit (refer note a below)		
-Deposits with original maturity for more than 3 months but less than 12 months	-	6,775,000
-Deposits with original maturity for more than 12 months	50,200	50,200
-Interest accrued but not due on fixed deposits (on short term deposits)	-	65,318
-Interest accrued but not due on fixed deposits (on long term deposits)	20,739	20,739
Total	**70,939**	**6,911,257**
Current	**70,939**	**6,840,318**
Non-Current	**-**	**70,939**

Note (a)

i. Margin money deposits with carrying amount of ₹50,200 (31 March 2018: ₹50,200) is subject to Registration of UK VAT. Interest accrued on margin money deposit is ₹20,739 (31 March 2018: ₹20,739).

ii. Margin money deposits with carrying amount of ₹ Nil (31 March 2018: ₹6,775,000) given to UK board for bidding in printing project, the amount has been refunded in current year due to cancellation of bidding process. Interest accrued on deposit is ₹ Nil (31 March 2018: ₹65,318).

6. Inventories (Amount in ₹)

	As at 31 March 2019	As at 31 March 2018
Raw materials	467,585	5,971,421
Stores and spares	8,844,667	4,046,542
Semi finished goods	21,183	3,584,804
Total	**9,333,435**	**13,602,767**
Current	**9,333,435**	**13,602,767**
Non-Current	**-**	**-**

7. Other assets (Amount in ₹)

7A. Prepaid expenses

	As at 31 March 2019	As at 31 March 2018
Prepaid expenses (Non current)	16,202	96,500
Prepaid expenses (Current)	529,130	533,165
Total	**545,332**	**629,665**

7B. Other assets (Amount in ₹)

	As at 31 March 2019	As at 31 March 2018
Advances recoverable in cash or kind	787,903	1,931,124
MAT credit entitlement (Non current)	71,140,692	69,278,510
Income tax recoverable (net of provision for tax)	8,382,241	10,693,984
Balance with statutory / government authorities	1,642,684	2,734,539
Total	**81,953,520**	**84,638,157**
Current	**2,959,717**	**5,198,828**
Non-Current	**79,539,135**	**80,068,994**

8. **Deferred taxes**

(Amount in ₹)

	As at 31 March 2019	As at 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	1,829,892	1,170,739
Others	(46,355)	35,128
Total deferred tax assets	**1,783,537**	**1,205,867**
Items leading to creation of deferred tax liabilities		
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	2,183,321	886,560
Total deferred tax liabilities	**2,183,321**	**886,560**
Net deferred tax assets	**(399,784)**	**319,307**

9. **Share Capital**

(Amount in ₹)

	As at 31 March 2019	As at 31 March 2018
Authorised		
100,000 (31 March 2018: 100,000 and 1 April 2018: 100,000) equity shares of Rs 10/- each	1,000,000	1,000,000
Issued, subscribed and fully paid up		
12,000 (31 March 2018: 12,000 and 1 April 2018: 12,000) equity shares of Rs 10/- each	120,000	120,000
	120,000	**120,000**

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

	Numbers	(Amount in ₹)
Issued, subscribed and fully paid up		
As at 1 April 2017	**12,000**	**120,000**
Issued during the year	-	-
As at 31 March 2018	**12,000**	**120,000**
Issued during the year	-	-
As at 31 March 2019	**12,000**	**120,000**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and their subsidiaries

	31 March 2019	31 March 2018
S Chand and Company Limited (formerly S Chand and Company Private Limited)	120,000	120,000

600 (31 March 2018: 600) shares held in the name of Mr. Dinesh Kumar Jhunjhnuwala as nominee or beneficial interest of S Chand and Company Limited (Formerly S Chand and Company Private Limited)

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

	No. of shares held	% of holding
S Chand and Company Limited, the Holding Company (formerly S Chand and Company Private Limited)		
As at 31 March 2018	12,000	100%
As at 31 March 2019	12,000	100%

As per records of the Company, including its register of shareholder/ member and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

10. Other equity **(Amount in ₹)**

	As at 31 March 2019	As at 31 March 2018
Retained earning		
Balance as per last financial statements	664,165,126	631,073,461
Add: Profit for the year	39,791,777	32,937,786
Add: Other comprehensive income for the year	21,402	153,879
Balance as the end of reporting year	**703,978,305**	**664,165,126**
General reserve		
Balance as per last financial statements	54,200,000	54,200,000
Increase/(decrease) during the year	-	-
Balance as the end of reporting year	**54,200,000**	**54,200,000**

Nature and purpose of reservers

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

11. Borrowings

11A. Current borrowings **(Amount in ₹)**

	As at 31 March 2019	As at 31 March 2018
Vehicle loans		
Indian rupee loan from bank (secured) (refer note 'b' below)	3,202,343	2,969,585
Cash credit		
Indian rupee loan from State Bank of India (secured) (refer note 'a' below)	-	37,146,069
Bank overdraft	-	5,493,138
Total	**3,202,343**	**45,608,792**
Less: Amount presented under "other financial liabilities"	3,202,343	2,969,585
Total	**-**	**42,639,207**
Secured	**-**	**42,639,207**
Unsecured	**-**	**-**

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

b. Vehicle Loan from HDFC Bank taken during FY 2017-18 and carries interest rate @ 8.26% p.a. The loan is repayable in 37 monthly installments of ₹ 307,072. The loan is secured by hypothecation of the respective vehicles.

11B. Non-current borrowings **(Amount in ₹)**

	As at 31 March 2019	As at 31 March 2018
Vehicle loans		
Indian rupee loan from bank (secured) (refer note ‘c’ above)	4,084,981	7,030,415
Total	**4,084,981**	**7,030,415**
Secured	**4,084,981**	**7,030,415**
Unsecured	-	-

(Amount in ₹)

12. Trade payables

	As at 31 March 2019	As at 31 March 2018
Current		
Trade payables of micro enterprises and small enterprises (refer note 33)	27,187	-
Trade payables of related entities (refer note 31)	19,636,852	22,281,975
Trade payables other than micro enterprises and small enterprises	38,895,648	39,186,628
Total Trade payables	**58,559,687**	**61,468,603**
Current	**58,559,687**	**61,468,603**
Non current	**-**	**-**

13. Other financial liabilities **(Amount in ₹)**

	As at 31 March 2019	As at 31 March 2018
Security deposit payable	-	700,000
Current maturity of long term loans (refer note 11A)	3,202,343	2,969,585
Employee related liabilities	2,851,831	2,683,788
Advance from customers	677,686	-
Interest accrued but not due	42,072	-
Total	**6,773,932**	**6,353,373**
Current	**6,773,932**	**6,353,373**
Non current	**-**	**-**

14. **Provisions** **(Amount in ₹)**

	As at 31 March 2019	As at 31 March 2018
Provision for gratuity (Non current)	2,715,633	2,765,932
Provision for gratuity (Current)	389,915	48,619
Provision for leave encashment	39,863	50,601
Provision for income tax (net of advance tax)	2,654,547	-
Total	**5,799,958**	**2,865,152**
Current	**3,084,325**	**99,220**
Non current	**2,715,633**	**2,765,932**

15. **Other liabilities** **(Amount in ₹)**

	As at 31 March 2019	As at 31 March 2018
Other payables:		
Statutory dues		
Provident Fund and Employee State Insurance	213,540	187,615
Goods and Services Tax Payable	2,573,552	97,498
Tax Deducted at Source	378,676	724,007
Total	**3,165,768**	**1,009,120**
Current	**3,165,768**	**1,009,120**
Non current	**-**	**-**

16. **Revenue from operations** **(Amount in ₹)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products		
Finished books	200,387,221	110,606,945
Sale of services		
Job work	23,623,590	38,791,631
Other operating revenues		
Scrap sales	2,512,363	1,834,032
Total revenue from operations	**226,523,174**	**151,232,608**

Disaggregated revenue information

	For the year ended 31 March 2019	For the year ended 31 March 2018
India	226,523,174	151,232,608
Outside India	-	-
Total revenue from contracts with customers	**226,523,174**	**151,232,608**
Timing of revenue recognition		
Goods transferred at a point in time	202,899,584	112,440,977
Services transferred over time	23,623,590	38,791,631
Total revenue from contracts with customers	**226,523,174**	**151,232,608**

The Company collects Goods and Service Tax (GST) on behalf of the Government and hence, GST is not included in Revenue from operations.

Contract balances

	As at 31 March 2019	As at 31 March 2018
Trade receivables	64,157,020	168,020,648
Contract assets	-	-
Contract liabilities	-	-

Trade receivables are non-interest bearing and are generally on terms of 180 days. Provision for expected credit losses is not created for intercompany trade receivables.

Right to return asset and refund liability

	As at 31 March 2019	As at 31 March 2018
Refund liabilities		
Arising from discounts	-	-
Arising from rights of return	-	-
	-	**-**

Reconciling the amount of revenue recognised in the statement of Profit and Loss with the contracted price

	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue as per contracted price	226,523,174	151,232,608
Adjustments		
Sales return	-	-
Discount	-	-
	226,523,174	**151,232,608**

Performance obligation

Information about the Company's performance obligations are summarised below:

Manufactured goods

The performance obligation is satisfied upon dispatch of the goods from company's warehouse.

The customer has a right to return the material to an extent as may be agreed upon with each customer or within the limits as may be determined by the company. However, since all such sales were made to intercompany customers, no instances of sales return were observed during the year.

Services

The performance obligation is satisfied over-time and payment is generally due upon completion of jobwork services and dispatch of goods from the warehouse.

17. Other income

a. Finance income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income on		
Bank deposits	31,716	72,576
Others	33,065,099	29,452,564
Income tax refund	-	358,892
Unwinding of discount on security deposit paid	87,506	-
	33,184,321	**29,884,032**

b. Other income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Dividend income on non-current investments	-	1,300
Fair value gain/(loss) on financial instrument at fair value through profit and loss	40,355	-
Provision for doubtful debts written back	747,250	205,436
Miscellaneous income	1,089,283	-
	1,876,888	**206,736**
Total other income (a+b)	**35,061,209**	**30,090,768**

18. Cost of raw materials and components consumed

	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw materials consumed		
Inventory at the beginning of the year	5,971,421	1,916,162
Add : purchases during the year	130,493,858	82,664,467
	136,465,279	**84,580,629**
Less: inventory at the end of the year	467,585	5,971,421
Cost of raw materials and components consumed	**135,997,694**	**78,609,208**

Details of raw material and components purchased

	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw material (paper)	109,205,753	73,917,918
Glue (hot melt)	5,664,125	3,466,173
PS Plates	8,039,546	1,049,074
Ink	2,588,649	1,311,985
Chemicals	1,560,600	871,338
Packing Material	3,435,185	2,047,979
	130,493,858	**82,664,467**
Details of inventory		
Raw materials	467,585	5,971,421
Paper	**467,585**	**5,971,421**

19. Publication expenses

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Royalty	17,999	364,290
Printing charges	12,007,486	4,753,790
Power and fuel	2,233,062	2,751,012
Repairs and maintenance - machinery	722,654	1,072,887
Consumption of stores and spares	4,830,293	3,568,790
	19,811,494	**12,510,769**

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

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventories at the end of the year		
Semi finished goods (refer note 6)	21,183	3,584,804
Stores and spares (refer note 6)	8,844,667	4,046,542
	8,865,850	**7,631,346**
Inventories at the beginning of the year		
Semi finished goods*	3,584,804	3,195,653
Stores and spares	4,046,542	4,354,092
	7,631,346	**7,549,745**
Increase in inventories	**(1,234,504)**	**(81,601)**

*During the current year, company has written off semi-finished goods of ₹3,563,621.

21. Selling and distribution expenses

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Freight and cartage expenses	4,048,314	3,172,620
Business promotion expenses	-	250,000
	4,048,314	**3,422,620**

22. Employee benefits expense

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	15,688,785	16,760,476
Contribution to provident and other funds	1,231,102	1,288,838
Gratuity expense (refer note 29)	639,934	871,398
Staff welfare expenses	404,023	575,912
	17,963,844	**19,496,624**

23. Depreciation and amortization expense

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment	5,028,886	2,897,172
Amortization of intangible assets	-	85,978
	5,028,886	**2,983,150**

24. **Finance cost**

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest - others	7,168,901	2,488,025
Interest on income tax	160,805	-
Bank charges	266,815	158,815
Loan processing fee	239,606	277,848
	7,836,127	**2,924,688**

25. **Other expenses**

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Outsource services	10,680,163	9,640,934
Rent	3,026,607	2,711,031
Repairs and maintenance - building	1,598,512	1,365,329
Insurance	406,474	371,620
Travelling and conveyance	473,832	889,384
Communication cost	163,263	139,618
Security charges	1,064,013	1,139,192
Printing and stationery	57,285	429,144
Legal and professional fee	1,098,224	1,094,581
Corporate social responsibility (refer note 38)	-	1,250,000
Payment to auditors (refer details below)	1,263,636	753,308
Miscellaneous expenses	176,006	412,236
	20,008,015	**20,196,377**

Payment to auditor

	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor:		
a) Audit fee	700,000	700,000
b) Limited review fee	450,000	-
c) Out of pocket expense	113,636	53,308
	1,263,636	**753,308**

26. **Components of Other Comprehensive Income (OCI)**

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

(Amount in ₹)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Re-measurment gains/(losses) on defined benefit plans	29,541	212,401
Tax impact on re-measurement gains/(losses) on defined benefit plans	(8,139)	(58,522)
	21,402	**153,879**

27. Earning per share (EPS)

Earnings per share

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

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

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders of the company	39,791,777	32,937,786
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	12,000	12,000
Basic EPS (absolute value in ₹)	3,316	2,745
Diluted EPS (absolute value in ₹)	3,316	2,745

28a. Income taxes

	For the year ended 31 March 2019	For the year ended 31 March 2018
Income tax charged to statement of profit and loss		
Current income tax charge	10,608,617	8,412,753
MAT credit availed	(1,149,201)	(1,038,307)
Income tax adjustment related to earlier year	2,162,368	112,051
Deferred tax charge	710,952	837,258
	12,332,736	**8,323,755**
Income tax charged to other comprehensive income		
Expenses (benefit) on re-measurement gain/(loss) on defined benefit plans	8,139	58,522
	8,139	**58,522**

28b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit before tax	52,124,513	41,261,541
Accounting profit before income tax	**52,124,513**	**41,261,541**
At India's statutory income tax rate of 27.82% (31 March 2018: 27.55%)	14,501,040	11,367,555
Exempt income under section 80IC	(4,053,899)	(3,184,986)
Non-deductible expenses for tax purposes:		
Income tax adjustment related to earlier year	2,162,368	112,051
Other non-deductible expenses	(276,773)	29,135
At the effective income tax rate of 23.66% (31 March 2018: 20.17%)	**12,332,736**	**8,323,755**
Income tax expense reported in the statement of profit and loss	**12,332,736**	**8,323,755**

29. Gratuity and other post- employment benefits plan

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of ₹2,000,000.

Statement of Profit & Loss account

Net employee benefit expense recognised in employee cost: **(Amount in ₹)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	425,085	270,218
Past service cost	-	434,818
Interest cost on defined obligation	214,849	166,362
	639,934	**871,398**

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gains) / losses on obligation	(29,541)	(212,401)
	(29,541)	**(212,401)**

Balance sheet

Changes in the present value of the defined benefit obligation are as follows: **(Amount in ₹)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening defined benefit obligation	2,814,551	2,299,146
Current service cost	425,085	270,218
Past service cost	-	434,818
Interest cost	214,849	166,362
Benefits paid	(319,396)	(143,592)
Actuarial (gains) / losses on obligation	(29,541)	(212,401)
Closing defined benefit obligation	**3,105,548**	**2,814,551**
Current Portion	**389,915**	**48,619**
Non - Current Portion	**2,715,633**	**2,765,932**

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.65%	7.70%
Expected rate of return on assets	N.A.	N.A.
Expected rate of salary increase	6%	6%
Retirement age (in years)	60 years	60 years
Employee turnover:-		
Service upto 5 years	5%	5%
Service above 5 years	1%	1%
Mortality rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

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

The expected contribution for next annual reporting period is ₹ 389,915 (31 March 2018: ₹ 48,619)

The impact of sensitivity analysis due to changes in the significant actuarial assumptions on the defined benefit obligations is given in below table.

	Change in assumptions	For the year ended 31 March 2019	For the year ended 31 March 2018
Present value of obligation at the end of the reporting period			
Impact of changes in discount rate			
Impact due to increase	+ 1%	(3,360,823)	(3,062,831)
Impact due to decrease	- 1%	2,885,502	2,600,661
Impact of changes in salary rate			
Impact due to increase	+ 1%	2,887,155	3,064,560
Impact due to decrease	- 1%	(3,354,590)	(2,595,538)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

30. Leases

Operating lease: company as lessee

a. The Company has taken premises for factory use under operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs 3,026,607 (31 March 2018: Rs 2,711,031). There are no restrictions imposed by the lease agreements. There are no sub leases.

Further minimum rental payable under non-cancellable operating lease are as follows :

	As at March 31, 2019	As at March 31, 2018
Within one year	3,317,291	3,026,607
After one year but not more than five years	-	3,317,291
After five years	-	-

31. Related party disclosure

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 year	
Fellow subsidiaries	Vikas Publishing House Private Limited
	Safari Digital Education Initiatives Private Limited
	New Saraswati House (India) Private Limited
	DS Digital Private Limited
Key Management Personnel	Mr Himanshu Gupta, Director
	Mrs Savita Gupta, Director
	Mr Dinesh Kumar Jhunjhnuwala, Director
	Mrs Neerja Jhunjhnuwala, Whole time Director

b) Transactions with the related parties **(Amount in ₹)**

Nature of transactions	Year Ended	Holding Company	Fellow subsidiaries	Key management personnel	Total
Printing charges paid					
Vikas Publishing House Private Limited	31 March 2019	-	11,690,866	-	11,690,866
	31 March 2018	-	4,753,790	-	4,753,790
Loan given during the year					
New Saraswati House (India) Private Limited	31 March 2019	-	70,000,000	-	70,000,000
	31 March 2018	-	-	-	-
D S Digital Pvt Ltd	31 March 2019	-	-	-	-
	31 March 2018	-	25,000,000	-	25,000,000
Neerja Jhunjhnuwala	31 March 2019	-	-	930,281	930,281
	31 March 2018	-	-	-	-
Loan repaid during the year					
New Saraswati House (India) Private Limited	31 March 2019	-	35,000,000	-	35,000,000
	31 March 2018	-	-	-	-
Interest income					
D S Digital Private Limited	31 March 2019	-	2,811,758	-	2,811,758
	31 March 2018	-	1,228,298	-	1,228,298
New Saraswati House (India) Private Limited	31 March 2019	-	1,751,101	-	1,751,101
	31 March 2018	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2019	-	28,502,240	-	28,502,240
	31 March 2018	-	28,224,266	-	28,224,266
Remuneration to directors					
Neerja Jhunjhnuwala*	31 March 2019	-	-	2,762,050	**2,762,050**
	31 March 2018	-	-	3,600,000	3,600,000
Sales/ Job Work					
S Chand And Company Limited	31 March 2019	203,166,885	-	-	203,166,885
	31 March 2018	132,544,551	-	-	132,544,551
New Saraswati House (India) Private Limited	31 March 2019	-	16,284,299	-	16,284,299
	31 March 2018	-	16,696,574	-	16,696,574
Vikas Publishing House Private Limited	31 March 2019	-	3,756,582	-	3,756,582
	31 March 2018	-	157,451	-	157,451
Purchase of paper/consumables					
Vikas Publishing House Private Limited	31 March 2019	-	7,118,000	-	7,118,000
	31 March 2018	-	20,256,340	-	20,256,340
Purchase of fixed assets					
Vikas Publishing House Private Limited	31 March 2019	-	-	-	-
	31 March 2018	-	3,100,000	-	3,100,000
Corporate Guarantee taken					
S Chand And Company Limited	31 March 2019	-	-	-	-
	31 March 2018	37,146,069	-	-	37,146,069
Corporate Guarantee given					
S Chand And Company Limited	31 March 2019	98,640,992	-	-	98,640,992
	31 March 2018	150,257,300	-	-	150,257,300

*Including perquisites paid during the year for year ended March 31, 2019.

c) Balance outstanding **(Amount in ₹)**

	Year Ended	Holding Company	Fellow subsidiaries	Key management personnel	Total
Trade receivable					
S Chand And Company Limited	31 March 2019	45,342,016		-	45,342,016

	Year Ended	Holding Company	Fellow sub-sidiaries	Key management personnel	Total
	31 March 2018	153,004,622	-	-	153,004,622
New Saraswati House (India) Private Limited	31 March 2019		17,915,587	-	17,915,587
	31 March 2018		15,763,276	-	15,763,276
Loan and advances					
D S Digital Private Limited	31 March 2019	-	28,636,054	-	28,636,054
	31 March 2018	-	26,105,471	-	26,105,471
New Saraswati House (India) Private Limited	31 March 2019	-	35,356,035	-	35,356,035
	31 March 2018	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2019	-	285,240,869	-	285,240,869
	31 March 2018	-	260,096,454	-	260,096,454
Advance Recoverable					
Neerja Jhunjhnuwala	31 March 2019	-	-	930,281	930,281
	31 March 2018	-	-	-	-
Trade payable					
Vikas Publishing House Private Limited	31 March 2019	-	19,636,852	-	19,636,852
	31 March 2018	-	22,281,975	-	22,281,975
Remuneration to directors payable					
Neerja Jhunjhnuwala	31 March 2019	-	-	-	-
	31 March 2018	-	-	300,000	300,000

32. Contingent liabilities (to the extent not provided for)

	31 March 2019	31 March 2018
Corporate Guarantee against cash credit facility availed by Holding company (refer no 'a' below)	98,640,992	150,257,300
Income tax demand (refer note 'b' & note 'c' below)	74,872,055	74,872,055
Provident Fund (refer note 'd' below)	-	-

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

Guarantee given to	In respect to credit facility granted to	Maturity date	Interest rate	31-Mar-19	31 March 2018
HDFC Bank	S Chand And Company Limited	On demand	9.50% to 10.10%	98,640,992	150,257,300

b. During FY 2012-13, the Company received demand notice from the income tax authorities requiring to pay additional tax of ₹ 39,439,763 (31 March 2018: ₹ 39,439,763) for assessment year 2011-12. Demand pertains to disallowance of deduction under section 80IC of the Income Tax Act. The company has not paid any amount towards this demand. The matter has been decided in Company's favour by CIT (Appeals) and is currently pending with the ITAT. The management is confident that the matter will be decided in company's favour.

c. During FY 2014-15, the Company received demand notice from the income tax authorities requiring to pay additional tax of ₹ 35,432,292 (31 March 2018: ₹ 35,432,292) for assessment year 2012-13. Demand pertains to disallowance of deduction under section 80IC of the Income Tax Act. The company has not paid any amount towards this demand. The matter has been decided in Company's favour by CIT (Appeals) and is currently pending with the ITAT. The management is confident that the matter will be decided in company's favour.

d. There are numerous interpretive issues relating to the Supreme Court (SC) judgement dated February 28, 2019. As a matter of caution, the Company has made provision on a prospective basis from the date of SC order. The Company will update its provision, on receiving further clarity on the subject.

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

The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.

-Principal amount due to micro and small enterprises	27,187	-
-Interest due on above	-	-
	27,187	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along wilh the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest remaining due and payable even in the succeeding years, unlil such date when the interest dues as above are actually paid to the small enterprise. for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

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

Raw Materials	Imported		Indigenously obtained	
	Percentage (%)	Amount (rs.)	Percentage (%)	Amount (rs.)
As at 31 March 2019	0%	-	100%	135,997,694
As at 31 March 2018	0%	-	100%	78,609,208

35. Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain loans the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

Name of the loanee	Rate of Interest/ Due Date	Secured/ unsecured	31 March 2019	31 March 2018
Safari Digital Education Initiatives Private Limited	SBI 2 Years MCLR+ 250 BPS/ 3 years	Unsecured	285,240,869	260,096,454
DS Digital Private Limited	SBI 2 Years MCLR+ 250 BPS/ 3 years	Unsecured	28,636,054	26,105,471
New Saraswati House (India) Private Limited	SBI 2 Years MCLR+ 250 BPS/ 3 years	Unsecured	35,356,035	-

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

36. Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations pre-dominantly relate to binding of books. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

37. Information about major customers

Revenue from 2 major customers amounted to ₹ 219,451,184 agrregating to 97.96% of total revenue (Rs 149,241,125 aggregating to 98.68% during the year ended 31 March 2018).

38. **Corporate Social Responsibility (CSR)**

	31 March 2019	31 March 2018
a) Gross amount required to be spent by the Company during the year	1,675,732	2,223,375
b) Amount spent during the year	-	1,250,000

39. **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.

40 **Financial Instruments:- Financial risk management objectives and policies**

The Company's principal financial liabilities, comprises loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments in equity shares and government securities, advances to related party, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Board provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:-

a.) Interest rate risk,

b.) currency risk and other price risk, such as equity price risk and

c.) commodity risk.

Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

a. **Interest rate risk.**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax
31 March 2019		
Borrowings in ₹	+0.5%	36,437
	-0.5%	(36,437)
31 March 2018		
Borrowings in ₹	+0.5%	263,196
	-0.5%	(263,196)

b. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company does not have any foreign currency exposure as on the reporting date other than the company's functional currency.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any significant credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The ageing analysis of trade receivables (net) as of the reporting date is as follows:

Age Bracket	Current	0-180 days past due	181-365 days past due	366-730 days past due	More than 730 days	Total
As at 31 March 2019	58,001,239	5,028,304	1,127,477	-	-	**64,157,020**
As at 31 March 2018	140,579,296	14,238,367	13,202,985	-	-	**168,020,648**

C. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. The Company's approach to managing liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its liability when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company closely monitors its liquidity position and deploys a robust cash management system. The Company manages liquidity risk by maintaining adequate reserves, borrowing liabilities, by continuously monitoring forecast and actual cash flows, profile of financial assets and liabilities. It maintain adequate sources of financing including loans from banks at an optimised cost. The table below provides the details regarding contractual maturities of financial liabilities.

(Amount in ₹)

	31 March 2019	31 March 2018
On Demand		
- Borrowings	-	42,639,207
	-	**42,639,207**
Less than 1 year		
- Trade payables	58,559,687	61,468,603
- Other financial liabilities	6,773,932	6,353,373
	65,333,619	**67,821,976**
More than 1 year		
- Borrowings	4,084,981	7,030,415
	4,084,981	**7,030,415**

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 5% and 12%. The Company measures underlying net debt as total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents. For the purpose of capital management, total capital includes issued equity equity capital, share premium and all other reserves attributable to the equity holders of the Company, as applicable.

Company's adjusted net debt to equity ratio as at 31 March 2019 is as follow: **(Amount in ₹)**

Gearing Ratio	**As at 31 March 2019**	**As at 31 March 2018**
Borrowings (including current maturities)	7,287,324	52,639,207
Less: Cash and cash equivalents	(58,977,051)	(5,066,553)
Adjusted Net debt (A)	**(51,689,727)**	**47,572,654**
Equity	758,298,305	718,485,126
Total equity (B)	**758,298,305**	**718,485,126**
Total equity and net debt [C = (A+B)]	**706,608,578**	**766,057,780**
Gearing Ratio (A/C)	0.00%	6.21%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

	31 March 2019			**31 March 2018**		
	FVTPL	**Amortized cost**	**FVTOCI**	**FVTPL**	**Amortized cost**	**FVTOCI**
Assets						
Non current financial assets						
- Investments	183,625	206,575,165	-	143,270	206,575,165	-
- Loans	-	350,409,662	-	-	287,286,392	-
- Other financial assets	-	-	-	-	70,939	-
Current financial assets						
- Trade receivables	-	64,157,020	-	-	168,020,648	-
- Loans	-	986,317	-	-	94,129	-
- Cash and cash equivalents	-	58,977,051	-	-	5,066,553	-
- Other financial assets	-	70,939	-	-	6,840,318	-
Liabilities						
Non Current Financial liabilities						
- Borrowings	-	4,084,981	-	-	7,030,415	-
Current financial liabilities						
- Borrowings	-	-	-	-	42,639,207	-
- Trade payables	-	58,559,687	-	-	61,468,603	-
- Other financial liabilities	-	6,773,932	-	-	6,353,373	-

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

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

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

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

iv.) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the quoted notes and bonds are based on price quotations at the reporting date.

43 Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed 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) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value:			
Quoted equity shares	183,625	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value:			
Quoted equity shares	143,270	-	-

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

As per our report of even date

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

Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : 17 May 2019

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Meenu Aggarwal
Finance Head

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DS DIGITAL PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **DS Digital Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the 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 the 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, the 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 specified under section 143(10) of the Act (SAs). 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 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.

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 standalone 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 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 statements 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 Responsibilities 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:

- 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.
- 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 operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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 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 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

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;
   (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
   (e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 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.

For ***V. P. Jain*** **& Associates**
Chartered Accountants
Firm's registration number: 015260N

Sd/-
Sarthak Madaan
Partner
Membership number: 547131

Place: New Delhi
Date: 23-05-2019

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the DS Digital Private limited on the standalone financial statements for the year ended 31 March 2019, we report that:

(i) In respect of fixed assets:

(a) The Company has maintained records showing particulars, including quantitative details and situation of fixed assets. Description / Model No. / Identification No. of Assets are not recorded in the register. It is informed that records are being updated.

(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. In respect of fixed assets given on operating lease to various school, company has initiated the process of physical verification of assets and is hopeful of completing the same within a span of 3 years. The reconciliation of physical verification with financial records is in progress and management has certified that this will be done in FY 2019-20 and adjustment entry if any shall be passed subsequently.

(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 has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3 (iii) of the Order is not applicable to the company.

(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.

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

(vi) Requirement 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, Employees State insurance, income tax, sales tax, service tax, value added 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 31.03.2019 for a period of more than six months from the date they became payable. During the year company has paid reimbursement of Rs. 82.38 Lacs towards hiring of workforce through third party, evidence regarding the payment of statutory dues i.e PF /ESI is pending from the third party.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, value added tax, cess which have not been deposited as at 31.03.2019 on account of any dispute except as follows :

Sl No.	Name of Statute	Nature of Dues	Amount Rs/lacs	Forum where dispute is pending.
1	U.P. Vat Act, 2008	Penalty u/s 54 (1) in FY 2012 -13	27.50	Matter is set aside for re-adjudication.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government during the year.

(ix) In our opinion and according to the information and explanation given to us, the term loans have been applied by the company during the year for the purposes for which they were obtained.

(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, the company has not paid/provided any managerial remuneration within the meaning of section 197 read with Schedule V to the Act.

(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 any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(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 ***V. P. Jain*** **& Associates**
Chartered Accountants
Firm's registration number: 015260N

Sd/-
Sarthak Madaan
Partner
Membership number: 547131

Place: New Delhi
Date: 23-05-2019

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 **DS Digital Private Limited**("the Company") as of 31 March 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 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 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ***V. P. Jain*** **& Associates**
Chartered Accountants
Firm's registration number: 015260N

Sd/-
Sarthak Madaan
Partner
Membership number: 547131

Place: New Delhi
Date: 23-05-2019

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
Balance sheet as at 31 March 2019

(Amount in ₹)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	109,339,268	118,674,453
Other intangible assets	4	186,829,857	163,490,315
Capital work-in-progress		-	-
Other intangible assets under development	4	18,529,321	23,287,551
Financial assets			
- Loans	5B	3,071,686	2,709,995
Deferred tax assets (net)	8	138,344,180	127,146,447
Other non-current assets	7	1,668,041	1,785,327
Total non-current assets		**457,782,353**	**437,094,087**
Current assets			
Inventories	6	4,244,080	3,767,212
Financial assets			
- Trade receivables	5A	82,562,289	82,476,421
- Cash and cash equivalents	5C	3,304,075	3,367,808
- Loans	5B	2,285,681	909,284
Other current assets	7	22,174,122	19,981,694
Total current assets		**114,570,247**	**110,502,420**
Total assets		**572,352,600**	**547,596,507**
Equity and liabilities			
Equity			
Equity share capital	9	347,289,200	347,289,200
Other equity	10	(271,830,371)	(203,620,978)
Total equity		**75,458,829**	**143,668,222**
Non-current liabilities			
Financial liabilities			
- Borrowings	11A	293,363,364	206,577,745
Provisions	14	5,048,048	5,419,832
Total non current liabilities		**298,411,412**	**211,997,577**
Current liabilities			
Financial liabilities			
- Borrowings	11B	86,084,139	88,840,220
- Trade payables	12		
(a) Total outstanding dues of micro and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro and small enterprises		65,284,236	67,985,625
- Other financial liabilities	13	37,737,432	27,499,621
Other current liabilities	15	8,490,585	6,743,468
Provisions	14	885,967	861,773
Total current liabilities		**198,482,359**	**191,930,707**
Total equity and liabilities		**572,352,600**	**547,596,507**
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 V. P. Jain & Associates
Chartered Accountants

Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 23 May 2019

For and on behalf of the Board of Directors of
DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Naveen Kundu
Chief Executive Officer

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
M. No. A36926

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
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	16	201,345,796	218,268,817
II	Other Income	17	14,336,569	12,741,305
III	**Total Income (I+II)**		**215,682,365**	**231,010,122**
IV	**Expenses**			
	Purchases of Stock in trade	18	31,237,824	34,639,705
	(Increase)/decrease in inventories of finished goods and stock in trade	19	(476,865)	3,804,506
	Employee benefits expense	20	55,996,331	60,690,521
	Selling and distribution expenses	21	48,655,720	54,586,746
	Finance cost	22	37,199,777	24,956,512
	Other expenses	23	60,251,990	58,350,430
	Depreciation and amortisation expense	24	63,045,527	53,034,565
	Total expenses		**295,910,304**	**290,062,984**
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**(80,227,940)**	**(59,052,861)**
VI	Exceptional item		-	-
VII	**Profit/(loss) before tax**		**(80,227,940)**	**(59,052,861)**
VIII	**Tax expense:**			
	Current tax		-	-
	Income tax adjustment related to earlier years		-	-
	Deferred tax (credit)/ charge		(11,411,145)	(29,679,709)
	Total tax expenses		**(11,411,145)**	**(29,679,709)**
IX	**Profit (Loss) for the period**		**(68,816,795)**	**(29,373,152)**
X	**Other Comprehensive Income**			
	- Items that will not be reclassified to profit or loss	25		
	Re-measurement gains/(losses) on defined benefit plans		820,814	28,667
	Tax impact on re-measurement gain/ (losses) on defined benefit plans		(213,412)	(7,382)
XI	**Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(68,209,393)**	**(29,351,867)**
XII	**Earnings per equity share:**	26		
	(1) Basic		(1.98)	(0.85)
	(2) Diluted		(1.98)	(0.85)
	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 V. P. Jain & Associates
Chartered Accountants

Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 23 May 2019

For and on behalf of the Board of Directors of
DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Naveen Kundu
Chief Executive Officer

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
M. No. A36926

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
Statement of changes in equity for the period ended 31 March 2019

A. Equity share capital:

Equity shares	**No. of shares**	**Amount in Rs.**
Issued, subscribed and fully paid up (Share of Rs. 10 each)		
At 31 March 2018	34,728,920	347,289,200
Increase/(decrease) during the year	-	-
At 31 March 2019	**34,728,920**	**347,289,200**

B. Other equity **(Amount in ₹)**

Particulars	**Reserve & Surplus**		**Equity component of Non Cumulative Optionally Convertible Preference Share**	**Total**
	General reserve	**ESOPs reserve**		
Balance as at 31st March, 2018	**(390,312,472)**	**-**	**186,691,493**	**(203,620,978)**
Changes in accounting policy / prior period errors	-			-
Restated balance at the beginning of the reporting period	(390,312,472)		186,691,493	(203,620,978)
Profit for the period	(68,816,795)		-	(68,816,795)
Other comprehensive income for the year	607,402		-	607,402
Total Comprehensive Income for the year	**(68,209,393)**		**-**	**(68,209,393)**
Changes during the period				
Balance as at 31 March 2019	**(458,521,864)**		**186,691,493**	**(271,830,371)**

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

For V. P. Jain & Associates
Chartered Accountants

Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 23 May 2019

For and on behalf of the Board of Directors of
DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Naveen Kundu
Chief Executive Officer

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
M. No. A36926

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
Cash flow statement for the year ended 31 March 2019

	31 March 2019 (Amount in Rs.)	31 March 2018 (Amount in Rs.)
Cash flow from operating activities		
Profit before tax	**(80,227,940)**	**(59,052,861)**
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	63,045,527	53,034,565
Interest expense	37,199,777	24,956,512
Provision for Doubtful Debts	5,022,255	10,659,094
Amounts Written off	93,898	366,883
Loss on Foreign Exchange Fluctuations (Net)	(689,465)	1,257,891
Fair Value Gains on Financial Instruments	(108,647)	(113,188)
Employee Benefit Expenses	820,814	28,667
Other Adjustments	33,478	585,537
Operating profit before working capital changes	**25,189,698**	**31,723,098**
Movements in working capital :		
(Decrease)/increase in trade payables	(2,701,390)	(49,018,523)
(Decrease)/increase in provisions	(347,590)	961,127
(Decrease)/increase in other current liabilities	2,030,272	(3,394,021)
Decrease/(increase) in trade receivables	(4,795,711)	13,814,995
(Increase)/decrease in inventories	(476,869)	3,804,506
(Decrease)/increase in other current financial liabilities	2,293,810	(5,000,542)
(Increase)/ in Other financial Assets	(3,704,583)	(4,845,399)
Cash generated from operating activities	**17,487,638**	**(11,954,759)**
Direct taxes paid (net of refunds)	-	-
Net cash flow from operating activities (A)	**17,487,638**	**(11,954,759)**
Cash flows from investing activities		
Purchase of fixed assets, including capital work in progress and capital advances	(72,360,132)	(101,134,935)
Proceed from sale of fixed assets	35,000	-
Net cash used in investing activities (B)	**(72,325,132)**	**(101,134,935)**
Cash flows from financing activities		
Proceeds from long-term borrowings	86,785,619	92,277,738
Proceeds from short term borrowings	5,187,919	43,072,275
Interest paid	(37,199,777)	(24,956,512)
Net cash (used in)/flow from financing activities (C)	**54,773,761**	**110,393,501**
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(63,733)	(2,696,193)
Cash and cash equivalents at the beginning of the year	3,367,808	6,064,001
Cash and cash equivalents at the end of the year	**3,304,075**	**3,367,808**
Components of cash and cash equivalents		
Cash on hand	117,409	14,950
Balances with banks		
- on current account	3,186,666	3,352,858
Total cash and cash equivalents (note 16)	**3,304,075**	**3,367,808**
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 V. P. Jain & Associates
Chartered Accountants

Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 23 May 2019

For and on behalf of the Board of Directors of
DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Naveen Kundu
Chief Executive Officer

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
M. No. A36926

1. **Company Information**

DS digital private Limited ('the Company') is a private limited Company incorporated and domiciled in India and has its registered office at A-27, 2nd Floor, Mohan Co-Operative Industrial Estate, New Delhi-110044, India.

The Company is a subsidiary of S Chand company ltd. one of India's largest and oldest publishing and education service providers.

DS Digital product range comprises of digital classroom, Tablet solution, Hands on lab, Language lab, Teacher training and Learning centres.

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, Companies (Indian Accounting Standards) Rules 2015 as amended form time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

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 Income from pre-school educational activity are accounted for on receipt 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. Foreign commission expenses

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 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.

2.2 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 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 straight line 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 except in the case of computer or peripherals where useful life is estimated six years based upon post experience in providing hardware to schools.

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 SLM 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-a-vis 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, 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

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/upgraded 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 (including direct cost and salary of employees) 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

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.

Income from Customised Interactive Content is recognised on completion of Initial training at the school premises in case of Domestic schools and on the basis of installation of software in International schools. Income from export customised interactive education services is accounted on invoice raised.

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.

Incentives on exports related to operations as provided by government are recognized in books after due consideration of certainty of utilization / receipt of such incentives

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.

a) 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.

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 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 commission expenses

The company has obligation to pay commission in foreign currency in respect of export services on the basis of actual receipt from the schools.

2.10 Foreign Currency Translation

i) Functional 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.

2.11 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.

2.12 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.

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.

2.13 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.

2.14 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'.

2.15 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.

Provisions and contingent liabilities are reviewed at each Balance sheet date.

2.16 Lease

As a lessee:

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

3. **Property, plant and equipment**

(Amount in ₹)

Particulars	Furniture & Fixtures	Office Equipment	Computers & Pheripherals	Vehicles	Plant & Equipment	Total
Cost						
As at 31 March 2018	**10,534,948**	**2,812,811**	**158,059,481**	**408,916**	**1,112,872**	**172,929,027**
Additions	22,800	377,657	19,743,801	-	-	**20,144,258**
Disposals	-	(31,200)	(1,369,554)	-	-	**(1,400,754)**
As at 31 March 2019	**10,557,747**	**3,159,268**	**176,433,728**	**408,916**	**1,112,872**	**191,672,531**
Accumulated depreciation						
As at 31 March 2018	**3,503,304**	**1,263,355**	**49,205,021**	**76,742**	**206,152**	**54,254,575**
Charge for the Year	1,662,918	676,211	26,894,002	45,624	101,009	**29,379,765**
Deductions	(0)	-	(1,301,076)	-	-	**(1,301,076)**
As at 31 March 2019	**5,166,223**	**1,939,566**	**74,797,947**	**122,366**	**307,161**	**82,333,263**
Net block						
As at 31 March 2018	7,031,643	1,549,456	108,854,460	332,174	906,720	**118,674,453**
As at 31 March 2019	**5,391,525**	**1,219,702**	**101,635,781**	**286,549**	**805,711**	**109,339,268**

4. **Intangible assets**

(Amount in ₹)

Particulars	Intangible Assets under Development	Learning Content	Computer Software	Total
Gross block				
As at 31 March 2018	**23,287,551**	**208,676,203**	**2,646,928**	**234,610,683**
Purchases/internal development (Refer Note 4.1)	47,554,083	57,005,305	-	**104,559,388**
Disposals/Transferred to Block	(52,312,314)			**(52,312,314)**
As at 31 March 2019	**18,529,321**	**265,681,508**	**2,646,928**	**286,857,756**
Accumulated depreciation				
As at 31 March 2018		**46,781,782**	**1,051,034**	**47,832,816**
Amortization for the year		33,111,296	554,467	**33,665,763**
Deductions				**-**
As at 31 March 2019		**79,893,078**	**1,605,501**	**81,498,579**
Net block				
As at 31 March 2018	**23,287,551**	**161,894,421**	**1,595,894**	**186,777,866**
As at 31 March 2019	**18,529,321**	**185,788,430**	**1,041,427**	**205,359,177**

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

Particulars	Learning Content	Computer Software	Total
Gross block	220,524,571	3,718,778	224,243,349
Accumulated depreciation	95,190,611	1,575,850	96,766,461
Deemed Cost as at 1 April 2016	**125,333,960**	**2,142,928**	**127,476,888**

4.1. Intangible Assets under Development includes Rs. 2,09,04,337/- [PY Rs.2,12,88,574/-] on account of employee benefit expenses

4.2 In the opinion of management each license sold contains all subjects and for all classes k-12 and hence revenue is generating by utilising all the digital content considering the same no exercise towards impairment of intangible assets is carried

5. Financial Assets

5A. Trade receivables

(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Unsecured, considered good *	82,562,289	82,476,421
Doubtful	36,316,810	44,320,452
	118,879,100	**126,796,873**
Less: Allowance for expected credit loss		
Doubtful	(36,316,810)	(44,320,452)
	(36,316,810)	**(44,320,452)**
Net Trade receivables		
Unsecured, considered good	82,562,289	82,476,421
Doubtful	-	-
	82,562,289	**82,476,421**
Current	**82,562,289**	**82,476,421**
Non-Current	**-**	**-**

* In absence of confirmations considered good by the Management.

5B. Loans

(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Security deposits - Non Current (Refer Note 5B.1)	3,071,686	2,709,995
Security deposits - Current	2,285,681	909,284
Total Loans and Advances	**5,357,367**	**3,619,279**
Current	**2,285,681**	**909,284**
Non-Current	**3,071,686**	**2,709,995**
Unsecured, considered good	5,357,367	3,619,279
Unsecured, considered doubtful	-	-
	5,357,367	3,619,279
Less: Allowance for expected credit loss	-	-
	5,357,367	**3,619,279**

5B.1. Includes Rs 5 Lacs towards earnest money given in FY 2017-18, in the opinion of management it will be received in FY 2019-20

5C. Cash and cash equivalents **(Amount in ₹)**

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- In current accounts	3,186,666	3,352,858
Cash in hand	117,409	14,950
Total Cash and cash equivalents	**3,304,075**	**3,367,808**
Current	**3,304,075**	**3,367,808**
Non-Current	**-**	**-**

6. Inventories **(Amount in ₹)**

Particulars	As at 31 March 2019	As at 31 March 2018
Raw materials	-	-
Work in progress	-	-
Stock-in-Trade (As taken, valued and certified by management)	4,244,077	3,767,212
	4,244,077	**3,767,212**
Less : Provision for slow & non moving stock	-	
Total Inventories	**4,244,077**	**3,767,212**

7. **Other Assets**

7A. **Prepaid expenses**

(Amount in ₹)

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Prepaid expenses (Non current)	568,041	685,327
Prepaid expenses (Current)	909,588	4,142,621
Total Prepaid expenses	**1,477,629**	**4,827,948**

7B. **Other assets**

(Amount in ₹)

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Deposit with government authority (Refer Note 7B.1)	1,100,000	1,100,000
Advance Taxes,TDS & Other Receivable		
- TDS (FY15-16)	-	11,520
- TDS (FY16-17)	-	2,250,956
- TDS (FY17-18)	2,902,523	1,807,410
- TDS (FY18-19)	2,318,132	-
- Duty Credit Scrips	3,463,194	-
- Export Incentive (Refer Note 7B. 2)	5,616,530	6,729,904
- Service Tax/GST	1,317,231	1,785,130
Advance to Suppliers (Refer Note 7B. 3)	5,202,120	492,169
Advance to employees Imprest	444,804	2,761,985
Stipend Advance	-	-
Total Other assets	**22,364,534**	**16,939,073**
Current	**22,174,122**	**19,981,694**
Non-Current	**1,668,041**	**1,785,327**

7B.1 Paid towards levy of penalty of Rs 27.50 Lacs under UP VAT. The matter has been set asside by the Apellate Authority.

7B.2 Represents export incentive receivable for FY 2016-17, FY 2017-18 and FY 2018-19. In the opinion of management amount is considered good and management is hopeful that amount of Rs 20,37,779 (FY 2016-17) & Rs 12,28,930 (FY 2017-18) will be received in FY 2019-20

7B.3 Includes Advance of Rs 43,86,023 to related party for development of learnflix app which will be launched in FY 2019-20 and advance will be adjusted through sharing of revenue.

8. Deferred taxes (Amount in ₹)

Particulars	As at 31 March 2019	As at 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	161,839,243	122,190,308
Others		
Impact of Ind AS adjustments	11,197,733	29,672,328
Total deferred tax assets	**173,036,976**	**151,862,636**
Items leading to creation of deferred tax liabilities		
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	34,692,797	24,716,189
Impact of Ind AS adjustments	-	-
Total deferred tax liabilities	**34,692,797**	**24,716,189**
Net deferred tax assets/(liabilities)	**138,344,180**	**127,146,447**

8.1 In view of pending merger of company with S Chand & Company Ltd and virtual probability of earning temporary tax differences in future, deferred tax assets has been created.

9. Share Capital (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Authorised		
3,70,00,000 (31 March 2018: 3,70,00,000) equity shares of Rs 10/- each	370,000,000	370,000,000
Issued, subscribed and fully paid up		
3,47,28,920 (31 March 2018: 3,47,28,920) equity shares of Rs 10/- each	347,289,200	347,289,200
	347,289,200	**347,289,200**

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 31 March 2018	**34,728,920**	**347,289,200**
Increase/(Decrease) during the year	-	-
As at 31 March 2019	**34,728,920**	**347,289,200**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares and one class of Preference shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. 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 2019 (Rs.)	31 March 2018 (Rs.)
S Chand And Company Limited (formerly S Chand and Company Private Limited)	176,867,500	176,867,500
Safari Digital Education Initiatives Pvt Ltd	170,371,650	170,371,650

d. Details of shareholders holding more than 5% equity shares in the Company:	No. of shares held	% of holding
S Chand And Company Limited	17,686,750	50.93%
Safari Digital Education Initiatives Pvt Ltd	17,037,165	49.06%

10. Other Equity (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Retained earning		
Balance as the Beginning of reporting period	(390,312,472)	(361,546,142)
Add: Surplus during the year	(68,816,795)	(29,373,152)
Add: Other Comprehensive income	607,402	21,285
Add: Prior Period Errors		585,537
Balance as the end of reporting period (A)	**(458,521,864)**	**(390,312,472)**
Equity component of preference shares		
Equity component (I Preference shares)	26,691,493	26,691,493
Equity component (II Preference shares)	160,000,000	160,000,000
Balance as the end of reporting period (B)	**186,691,493**	**186,691,493**
Total (A+B)	**(271,830,371)**	**(203,620,979)**

I Preference shares

Company offered and issued 61,70,400 1% optionally convertible non-cumulative Preference Shares ("OCNCPS") of Rs.10 each to Safari Digital Education Initiatives Private Limited ("Safari Digital" or the "Holder") as per special resolution passed on 24th March, 2015. Safari Digital is wholly owned subsidiary of S Chand And Company Limited.

Convertible Preference share shall have preferential right vis-a-vis Equity Share of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

Convertible Preference share shall have non- cumulative and non-participating in surplus fund.

Convertible Preference share shall have optionally convertible into equity shares of the Company after a period of 2 years from the date of issue at the option of the Safari Digital Education Initiatives Private Limited

Convertible Preference share Shall carry voting rights as per the provisions of Section 47(2) of the Act;

After 5 years, if not converted into Equity Shares then it shall be mandatorily re-deemed.

1% optionally convertible non-cumulative Preference Shares (Amount in ₹)

Particulars	As at 31 March,2019	As at 31 March,2018
As per last Balance Sheet	61,704,000	61,704,000
Changes during the year	-	-
Balance at end of year	**61,704,000**	**61,704,000**

The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31 March,2019	As at 31 March,2018
Preference shares at the beginning of the year	6,170,400	6,170,400
Add: Issue of Shares	-	-
Preference shares at the end of the year	**6,170,400**	**6,170,400**

The details of shareholders holding more than 5% shares in the Company including those held by holding company and Subsidiaries of holding company:

Name of Shareholders	As at 31 March,2019	As at 31 March,2018
Safari Digital Education Initiatives Private Limited	6,170,400	6,170,400
(100 % shareholding)		
	6,170,400	**6,170,400**

II Preference shares

Company offered and issued 1,60,00,000 1% optionally convertible non-cumulative Preference Shares (“OCNCPS”) of Rs.10 each as per special resolution 31st August, 2016 to S Chand And Company Limited.

Convertible Preference share shall have preferential right vis-a-vis Equity Share of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

Convertible Preference share shall have non- cumulative and non-participating in surplus fund.

Convertible Preference share shall have optionally convertible into equity shares of the Company after a period of 2 years from the date of issue at the option of the DS Digital Private Limited.

Convertible Preference share Shall carry voting rights as per the provisions of Section 47(2) of the Act;

After 5 years, if not converted into Equity Shares by the Holder then it shall be mandatorily re-deemed.

(Amount in ₹)

1% optionally convertible non-cumulative Preference Shares	As at 31 March,2019	As at 31 March,2018
As per last Balance Sheet	160,000,000	160,000,000
Changes during the year	-	-
Balance at end of year	**160,000,000**	**160,000,000**

The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31 March,2019	As at 31 March,2018
Preference shares at the beginning of the year	16,000,000	16,000,000
Add: Issue of Shares	-	-
Preference shares at the end of the year	**16,000,000**	**16,000,000**

The details of shareholders holding more than 5% shares in the Company including those held by holding company and Subsidiaries of holding company:

Name of Shareholders	As at 31 March,2019	As at 31 March,2018
S Chand And Company Limited	16,000,000	16,000,000
(100 % shareholding)		
	16,000,000	**16,000,000**

11. Borrowings (Amount in ₹)

11A. Non-current borrowings

Particulars	As at 31 March 2019	As at 31 March 2018
Secured Loans		
Indian rupee loan from others (Siemens Financial Services Pvt Ltd) {Refere Note No 11A.1}	43,550,127	36,150,585
Unsecured Loans		
Preference Shares - Liability component	55,092,860	49,190,051
Loan from related party		
- Safari Digital Education Initiatives Pvt. Ltd. (Refer Note No 11A.2)	56,619,475	61,458,279
- S Chand & Company Limited (Refer Note No 11A.3 & 11A.7)	74,977,662	43,636,602
- Eurasia Publishing House Pvt. Ltd. (Refer Note No 11A.4 & 11A.7)	5,774,696	5,266,395
- Chayya Prakashini Private Limited (Refer Note No 11A.5)	51,886,129	-
- Nirja Publishers and Printers Pvt. Ltd. (Refer Note No 11A.6 & 11A.7)	28,636,054	26,105,471
Total Non-current borrowings	**316,537,003**	**221,807,383**
Less : Current Maturities of long Term Borrowings	23,173,639	15,229,638
Current	**-**	**-**
Non Current	**293,363,364**	**206,577,745**

11A.1. Secured loans are charged against the Movable Fixed Assets of the Company.

11A.2. Includes Interest Bearing Loan for Rs 5,36,00,000/- (PY Rs.5,36,00,000/-) and interest accrued of Rs. 30,19,475/- (PY 78,58,279/-)

11A.3. Optionally Convertible Loan amount Rs. 7,20,92,150/- (PY Rs 4,25,53,450/-) & Interest accrued Rs.28,85,512/- (PY Rs.10,83,152/-)

11A.4. Optionally Convertible Loan amount Rs. 55,08,933/- (PY Rs 50,00,000/-) & Interest accrued Rs. 2,65,763/- (PY Rs.2,66,395/-)

11A.5. Optionally Convertible Loan amount Rs. 5,00,00,000/- (PY Rs NIL/-) & Interest accrued Rs.18,86,129/- (PY Rs.NIL/-)

11A.6. Optionally Convertible Loan amount Rs. 2,73,18,158/- (PY Rs 2,50,00,000/-) & Interest accrued Rs.13,17,896/- (PY Rs.11,05,471/-)

11A.7. During the year interest of following amounts have been capitalised :

(a) Nirja Publishers and Printers Pvt. Ltd. : Rs 23,18,158/-

(b) S Chand & Company Limited : Rs 45,38,700/-

(c) Eurasia Publishing House Pvt. Ltd. Rs 5,08,933/-

11B. Current borrowings (Amount in ₹)

Particulars		As at 31 March,2019	As at 31 March,2018
Secured:			
Cash credit from banks - (Refer Note 11B.1)			
	Standard Chartered Bank	42,175,144	49,233,499
Unsecured :			
Loans from related parties-			
Safari Digital Education Initiatives Pvt Ltd		0	1,972,396
S Chand & Co. Ltd (Running account) (Refer Note 11B.2.)		35,909,433	30,329,047
Blackie & Sons (Calcutta) Pvt Ltd (Refer Note 11B.3.)		7,999,561	7,305,278
Total		**86,084,139**	**88,840,220**
Secured		**42,175,144**	**49,233,499**
Unsecured		**43,908,994**	**39,606,721**

11B.1. Exclusive charge on entire current assets and movable fixed assets (except assets which are exclusively charged under equipment financing).

11B.2. Running Account with S Chand and Company Ltd. is interest free.

11B.3. Interest capitalised during the year include the following

- Balckie & Sons (Calcutta) Pvt Ltd. : Rs 10,15,478

12. Trade payables (Amount in ₹)

Particulars	As at 31 March,2019	As at 31 March,2018
Non-Current		
Trade payables other than micro enterprises and small enterprises	-	-
Current		
Total outstanding dues of micro enterprises and small enterprises: and (Refer Note 12.1)	-	-
Total outstanding dues of creditors other than micro enterrprises & small enterprises	65,284,236	67,985,625
Total Trade payables	**65,284,236**	**67,985,625**
Current	**65,284,236**	**67,985,625**
Non-Current	**-**	**-**

12.1 During the year company has asked for the information regarding particulars of Micro and Small Enterprises till dateof audit, company has not received any information from the vendors.

13 Other financial liabilities (Amount in ₹)

Particulars	As at 31 March,2019	As at 31 March,2018
Expenses Payables (Refer Note 13.1)	8,955,837	6,328,897
Employee salary Payable	3,383,373	3,871,980
Current maturities of long-term Borrowings	23,173,639	15,229,638
Other financial liabilities (Employees Imprest)	2,224,583	2,069,106
Total other financial liabilities	**37,737,432**	**27,499,621**
Current	**37,737,432**	**27,499,621**
Non current	**-**	**-**

13.1. Includes Content fee of Rs 29.65 Lakh provided on the basis of agreement pending receipt of actual invoice from the supplier supplier

14 Provisions (Amount in ₹)

Particulars		As at 31 March,2019	As at 31 March,2018
Provision for retirement benefits			
	Gratuity	3,087,904	3,233,755
	Leave Encashment	2,846,111	3,047,850
Total Provisions		**5,934,015**	**6,281,605**
Current		**885,967**	**861,773**
Non current		**5,048,048**	**5,419,832**

15 Other liabilities (Amount in ₹)

Particulars	As at 31 March,2019	As at 31 March,2018
Other payables:		
Statutory dues	4,276,344	2,329,954
Advance from customers (as certified by management)	4,214,241	4,413,514
Total Other liabilities	**8,490,585**	**6,743,468**
Current	**8,490,585**	**6,743,468**
Non current	**-**	**-**

16. **Revenue From Operations** **(Amount in ₹)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products		
Finished goods	40,190,957	38,412,674
Sale of services (Refer Note 16.1, 16.2 and 16.3)	158,805,019	176,053,848
Other Operating Revenues		
Export Incentive	2,349,820	3,802,295
Total revenue from operations	**201,345,796**	**218,268,817**
Detail of sale of services		
Domestic		
Customized Interactive Education Services	92,977,819	105,560,343
Income From Pre School Educational Activity	14,088,517	15,659,156
Export		
Customised Interactive Education Services	51,738,683	54,834,349
	158,805,019	**176,053,848**

16.1 Includes Rs 32.70 Lacs [PY Rs.80.75 Lacs] pertaining to the next financial year.

16.2 Sales of Content made to Channel Partner in March 2018 for perpetual content for Students amounting to Rs. 63.51 Lacs have been reversed in June 2018 as the company and channel partner couldn't execute the project due to internal Management issues at the School

16.3. Includes Professional Development fee of Rs 4.41 Lakhs for importing training at Abu Dhabi cerified by manangement.

17. **Other Incomes** **(Amount in ₹)**

17.1 **Finance Income**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income -		
- on fixed deposits	-	2,733
- on income tax refund	196,193	-
Total finance income	**196,193**	**2,733**

17.2 **Other Income** **(Amount in ₹)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Provision reversed on account of Actual Bad Debt	13,025,897	11,655,548
Fair Value Gain on Security Deposit	407,672	113,188
Other Income	706,807	969,836
Total other income	**14,140,376**	**12,738,572**

18. **Purchase & implementation cost** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Computer & Peripherals	30,667,824	33,519,705
English Labs (Kit)	570,000	1,120,000
Total Purchase & implementation cost	**31,237,824**	**34,639,705**

19. **(Increase)/Decrease in Inventories** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventories at the beginning of the year		
Trade Items	3,767,212	7,571,718
Inventories at the end of the year		
Trade Items	4,244,077	3,767,212
(Increase)/decrease in inventories	**(476,865)**	**3,804,506**

20. **Employee Benefits Expenses** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, Wages, Allowances	43,387,716	51,928,911
Provident Fund & ESI	2,724,628	3,682,342
Staff Welfare and Medical Insurance	1,177,626	1,252,562
Gratuity	970,490	997,264
Leave encashment	567,401	1,085,760
Bonus and Exgratia	782,508	1,056,430
Other Benefits to Staff	6,385,962	687,252
Total employee benefits expenses	**55,996,331**	**60,690,521**

21. **Selling and Distribution Expenses** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Advertisement and conference expenses	3,667,431	3,387,558
Travelling and boarding expenses	17,204,150	20,516,516
Freight, cartrage and installation expenses	5,367,548	3,030,532
Marketing & commission expenses	22,242,758	27,453,393
Business promotion	173,833	198,747
Total selling and distribution expenses	**48,655,720**	**54,586,746**

22. **Finance Cost** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest Expense	30,618,674	18,780,969
Fair Value Loss on Preference Shares	5,902,808	5,270,363
Bank Charges	678,294	905,180
Total finance cost	**37,199,777**	**24,956,512**

23. Other Expenses

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Lease rental - operating lease	-	139,558
Foreign Exchange Rate Difference	(689,465)	1,257,891
Office Expense	4,180,023	4,016,502
Professional /Consultancy charges	5,446,618	3,588,828
Conveyance Expenses	346,341	369,422
Electricity & Genset Expenses	1,955,886	1,795,131
Repair & Maintenance	8,301,718	7,285,538
Office Stationery	340,640	740,088
Telephone	825,762	1,227,876
Rent expenses	8,845,045	8,942,127
Auditor's Remuneration	350,000	550,000
Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Amount written off (Refer Note 23.3)	377,053	366,883
Insurance Expenses	148,483	196,659
Rates & Taxes	49,437	74,213
Bad Debts Written Off	13,025,897	11,655,548
School Van Running Expns	1,869,011	2,055,946
Miscellaneous Expenses (Refer Note 23.1)	9,524,783	3,429,127
Provision for Doubtful Debt for Expected Credit Loss	5,022,255	10,659,094
Fair Value Loss on Security Deposit	299,025	-
Loss on Sales of Assets	33,478	-
Total other expenses	**60,251,990**	**58,350,430**

23.1. It includes Security Charges Rs. 12.82 lacs (PY: Rs.14.10 lacs), courier charges Rs 10.21 lacs (PY: Rs. 6.45 lacs), computer expenses Rs 6.25 lacs (PY : Rs 2.35 lacs), Prior period expenses for Rs 2.46 Lacs and shared management services as certified by management to holding company Rs 51.67 Lacs (PY: Nil), collection incentive Rs 6.19 Lac (PY :Rs 6.47 Lacs)

23.3. Includes TDS receivable written off for Rs 1.16 Lacs (PY: Nil), amounts written off Rs 2.61 Lacs (PY: Rs 4.15 Lacs).

Payment to auditor

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor		
For Audit	350,000	550,000
Reimbursement of expenses	200,000	-
	550,000	**550,000**

24. Depreciation and Amortisation Expenses

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant & euipement	29,379,765	27,838,961
Amortisation of intangible assets	33,665,763	25,195,604
Total depreciation and amortisation expneses	**63,045,527**	**53,034,565**

25. Components of Other Comprehensive Income (OCI) **(Amount in ₹)**

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

During the year ended 31st March 2019

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Re-measurment gains/(losses) on defined benefit plans	820,814	28,667
Tax impact on re-measurement gains/(losses) on defined benefit plans	(213,412)	(7,382)
	607,402	**21,285**

26. 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 **(Amount in ₹)**

Particulars	**For the year ended 31 March 2019**	**For the year ended 31 March 2018**
Net Loss after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(68,816,795)	(29,351,867)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	34,728,920	34,728,920
Basic Earnings per share	(1.98)	(0.85)
Diluted Earnings per share	(1.98)	(0.85)
Face Value per equity share	10	10

Note: The effect of weighted average potential Equity shares to be issued at the time of conversion of optionally convertible preference shares is anti-dilutive in nature and hence not considered in calculation of dilutive earnings per share.

27 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		**2018-19**	**2017-18**
I	**Change in present value of defined benefit obligation during the year**		
	Defined Benefit Obligation as of Prior Year	3,233,755	2,781,033
	Service Cost : -		
	Current service cost	742,545	799,068
	Past service cost		14,928
	Interest Cost	227,945	183,268
	Benefit payments directly by employer	(295,527)	(515,875)
	Actuarial (Gain) / Loss - Demographic		
	Actuarial (Gain) / Loss - Financial	48,061	(91,912)

Particulars		2018-19	2017-18
	Actuarial (Gain) / Loss - Experience	(868,875)	63,245
	Defined Benefit Obligation at the end of Current Year	**3,087,904**	**3,233,755**
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	3,233,755	2,781,033
	Defined benefit cost included in P&L	970,490	997,264
	Total remeasurements included in OCI	(820,814)	(28,667)
	Direct benefit payments by Employer	(295,527)	(515,875)
	Net defined benefit liability (asset) - end of period	**3,087,904**	**3,233,755**
IV	**Expense recognised in the statement of profit or loss during the year**		
	Service cost	742,545	813,996
	Net interest cost	227,945	183,268
	Total expense recognised in the employee benefit expense	**970,490**	**997,264**
V	**Recognised in other comprehensive income for the year**		
	Cumulative OCI - (Income)/Loss, Beginning of Period	62,672	91,339
	Total remeasurements included in OCI	(820,814)	-28,667
	Cumulative OCI - (Income)/Loss, End of Period	(758,142)	62,672
VI	**Maturity profile of defined benefit obligation**		
	Year 1	377,023	348,189
	Year 2	423,226	405,774
	Year 3	423,833	431,973
	Year 4	397,075	437,752
	Year 5	558,158	411,422
	Year 6 to 10	1,240,661	1,602,316
	Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occuring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
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	3,259,322	3,422,585
	Discount rate + 100 basis points	2,933,181	3,063,562
	Impact of change		
	Discount rate - 100 basis points	(171,418)	(188,830)
	Discount rate + 100 basis points	154,723	170,193
	b) Impact of change in salary		
	Present Value of obligation at the end of the period		
	Rate - 100 basis points	2931493	3,059,791
	Rate + 100 basis points	3254625	3,421,156
	Impact of change		
	Discount rate - 100 basis points	156,411	173,964
	Discount rate + 100 basis points	(166,721)	(187,401)
VIII	**Actuarial assumptions**		
	Discount Rate	7.15%	7.45%

Particulars		2018-19	2017-18
	Future salary increase	6.00%	6.00%
	Retirement Age (years)	60 Years	60 Years
	Mortality rates inclusive of provision for disability	IALM (2006-08)	IALM (2006-08)
	Withdrawl rate	15%	15%
	The actuarial valuation of the present valuation of defined benefit obligation were carried out as at March 31, 2019. 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.		

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		2018-19	2017-18
I	**Change in present value of defined benefit obligation during the year**		
	Defined Benefit Obligation as of Prior Year	3,047,850	2,560,815
	Service Cost : -		
	Current service cost	909,079	989,968
	Interest Cost	207,934	163,362
	Benefit payments directly by employer	(769,140)	(598,725)
	Actuarial (Gain) / Loss - Demographic		
	Actuarial (Gain) / Loss - Financial	41,503	(78,161)
	Actuarial (Gain) / Loss - Experience	(591,114)	10,591
	Defined Benefit Obligation at the end of Current Year	**2,846,111**	**3,047,850**
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	3,047,850	2,560,815
	Defined benefit cost included in P&L	567,401	1,085,760
	Total remeasurements included in OCI	-	-
	Direct benefit payments by Employer	(769,140)	(598,725)
	Net defined benefit liability (asset) - end of period	**2,846,111**	**3,047,850**
IV	**Expense recognised in the statement of profit or loss during the year**		
	Service cost	909,079	989,968
	Net interest cost	207,934	163,362
	Immediate recognition of loss	(549,611)	(67,570)
	Total expense recognised in the employee benefit expense	**567,401**	**1,085,760**
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	-	-

Particulars		2018-19	2017-18
VI	**Maturity profile of defined benefit obligation**		
	Year 1	508,944	513,584
	Year 2	418,690	371,096
	Year 3	376,737	333,963
	Year 4	338,957	300,527
	Year 5	373,394	270,418
	Year 6 to 10	1,102,583	1,049,831
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	2,994,149	3,208,364
	Discount rate + 100 basis points	2,712,508	2,902,953
	Impact of change		
	Discount rate - 100 basis points	(148,038)	(160,514)
	Discount rate + 100 basis points	133,603	144,897
	b) Impact of change in salary		
	Present Value of obligation at the end of the period		
	Rate - 100 basis points	2,709,916	2,899,742
	Rate + 100 basis points	2,994,333	3,209,040
	Impact of change		
	Discount rate - 100 basis points	136,195	148,108
	Discount rate + 100 basis points	(148,222)	(161,190)
VIII	**Actuarial assumptions**		
	Discount Rate	7.15%	7.45%
	Future salary increase	6.00%	6.00%
	Retirement Age (years)	60 Years	60 Years
	Mortality rates inclusive of provision for disability	IALM (2006-08)	IALM (2006-08)
	Withdrawl rate	15%	15%

28 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, 2019	As at March 31, 2018
At start of year	127,146,447	97,474,119
Credit to Statement of Profit and Loss	11,197,733	29,672,328
At the end of year	**138,344,180**	**127,146,447**

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, 2018	Credit to profit or loss	As at March 31, 2019
Deferred tax asset in relation to:			
Property, plant and equipment	(34,692,797)	4,032,060	(30,660,736)
Carried Forward Losses	52,226,897	(4,001,003)	48,225,895

Unabsorbed Depreciation	96,368,816	13,424,990	109,793,807
Provisions	13,243,529	(2,258,315)	10,985,215
	127,146,446	**11,197,733**	**138,344,180**

b.

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Income tax recognised in Statement of Profit and Loss		
Deferred tax		
In respect of the current year	11,197,733	29,672,328
Total income tax expenses recognised in the current year	**11,197,733**	**29,672,328**

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

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Loss before tax	18,492,401	51,506
Applicable Tax Rate	26.00%	25.75%
Computed Tax Expense	11,197,733	29,672,328
Tax effect of :		
Expenses subject to timing difference	43,068,205	115,232,342
Tax impact on Expenses not allowed	11,197,733	29,672,328
Tax Expenses recognised in Statement of Profit and Loss	(11,197,733)	(29,672,328)

29 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.

30 Contingent Liabilities **(Amount in ₹)**

Particulars	As at March 31st, 2019	As at March 31st, 2018
Claims against the Company not acknowledged as debts		
1. VAT claim by U. P. VAT Act.	2,750,000	2,750,000
2. Contractual Obligations	-	2,037,000
	2,750,000	**4,787,000**

Company has paid Rs 11 Lakhs for levy of penalty U/S 54(1) of U P. VAT Act vide Appelate order the order has been set aside for re-adjudication.

31 Related Party Disclosure

Related Party disclosure in accordance with the Accounting Standard AS-18 on “Related Party Disclosures” issued by the Institute of Chartered Accountants of India is given as under in respect of related parties with whom transactions have taken place:

a) Related parties and their relationship

1)	Holding Company	-S Chand And Company Limited
2)	Associate Companies / Firms	-
3)	Companies under same Managerment	-Safari Digital Education Initiatives Pvt Ltd
		-Blackie & Son (Calcutta) Pvt Ltd
		-Edutor Technologies India Pvt Ltd
		-Eurasia Publishing House Pvt Ltd

-New Saraswati House (India) Pvt. Ltd.
-Nirja Publishers and Printers Pvt Ltd
-Vikas Publishing House Pvt. Ltd.
-S. Chand Edutech Pvt Ltd
-Chhaya Prakashani Private Limited
-Indian Progressive Publishing Co. Pvt. Ltd.
-BPI (India) Private Limited

4) Director's Sustantial Shareholdings

-Hotel Tourist
-SC Hotel Tourist Deluxe Pvt Ltd
-S Chand Properties Pvt. Ltd.
-S. Chand Hotels Pvt. Ltd.
-Shaara Hospitalities Pvt Ltd
-HMR Sports Ventures Pvt. Ltd.
-Amenity Sports Academy Pvt. Ltd.
-Amenity Public School

5) Key Management Personnel

- Mr. Himanshu Gupta
- Mr. Dinesh Kumar Jhunjhnuwala
- Mr. Deep Mishra (Resigned w.e.f. 02.11.2018)
- Mr. Manish Kumar Goyal, Company Secretary (Appointed w.e.f. 17.05.2018)
- Mr. Rajagopalan Chandrashekar, Independent Director (Appointed w.e.f. 07.08.2018)
- Mr. Arvind Srivastava, Chief Financial Officer (Appointed w.e.f. 11.02.2019)
- Dr. Atul Nischal, Independent Director (Resigned w.e.f. 25.05.2018)
- Mr. Brahmdutt Sharma, Chief Financial Officer (Resigned w.e.f. 13.04.2018)
- Mr. Sharad Talwar, Independent Director
- Mr. Naveen Kundu, CEO

(Amount in ₹)

Nature of Transactions	Holding Company		Associates		Key Managerial Personnel & their relatives		Companies under Same Management		Directors Substantial Shareholdings		TOTAL	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Reimbursement of Expenses												
S Chand And Company Limited	-	90,948									-	90,948
Sale of Product/Services												
S Chand And Company Limited	-	3,950,539									-	3,950,539
New Saraswati House (India) Private Limited							-	738,385			-	738,385
Loans and Advances Received												
S Chand And Company Limited	25,000,000	42,553,450									25,000,000	42,553,450
Nirja Publishers and Printers Pvt Ltd							-	25,000,000			-	25,000,000
Blackie & Son (Calcutta) Pvt Ltd							-	16,500,000			-	16,500,000
Eurasia Publishing House Pvt Ltd							-	5,000,000			-	5,000,000
Chhaya Prakashani Private Limited							50,000,000	-			50,000,000	-
Repayment of Loans and Advances received												
Safari Digital Education Initiatives Pvt Ltd							1,972,396	-			1,972,396	-
Blackie & Son (Calcutta) Pvt Ltd							-	10,000,000			-	10,000,000
Purchase of Product/Services												
Hotel Tourist									436,462	318,034	436,462	318,034

Nature of Transactions	Holding Company		Associates		Key Managerial Personnel & their relatives		Companies under Same Management		Directors Substantial Shareholdings		TOTAL	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
S Chand And Company Limited	-	12,042,157									-	12,042,157
Edutor Technologies India Pvt Ltd							4,027,395	-			4,027,395	-
Safari Digital Education Initiatives Pvt Ltd							147,300	-			147,300	-
Salary, Perks and Allowances												
Naveen Kundu					4,493,455	3,798,036					4,493,455	3,798,036
Brahmdutt Sharma					78,165	790,320					78,165	790,320
Other Expenses												
S Chand And Company Limited	5,167,025	-									5,167,025	-
Loans and Advances given												
Edutor Technologies I Pvt. Ltd.							7,500,000	-			7,500,000	-
Interest Expense												
Safari Digital Education Initiatives Pvt Ltd							6,432,000	6,432,000			6,432,000	6,432,000
Eurasia Publishing House Pvt Ltd							564,781	295,994			564,781	295,994
Blackie & Son (Calcutta) Pvt Ltd							771,427	894,754			771,427	894,754
Nirja Publishers and Printers Pvt Ltd							2,811,758	1,228,300			2,811,758	1,228,300
S Chand And Company Limited	7,045,622	1,203,504									7,045,622	1,203,504
Chhaya Prakashani Private Limited							2,095,699	-			2,095,699	-
Operating Lease												
S Chand And Company Limited	-	139,558									-	139,558
Short Term Loans and Advances received as at 31st March 2019												
Blackie & Son (Calcutta) Pvt Ltd							7,999,561	7,305,278			7,999,561	7,305,278
S Chand And Company Limited	35,909,433	30,329,047									35,909,433	30,329,047
Long Term Loans and Advances received as at 31st March 2019												
S Chand And Company Limited	74,977,662	43,636,602									74,977,662	43,636,602
Nirja Publishers and Printers Pvt Ltd							28,636,054	26,105,471			28,636,054	26,105,471
Eurasia Publishing House Pvt Ltd							5,774,696	5,266,395			5,774,696	5,266,395
Safari Digital Education Inititative Pvt. Ltd.							56,719,475	63,430,675			56,719,475	63,430,675
Chhaya Prakashani Private Limited							51,886,129	-			51,886,129	-
Short Term Loans and Advances given as at 31st March 2019												
Edutor Technologies I Pvt. Ltd.							4,386,023	(1,477,322)			4,386,023	(1,477,322)
Trade Payables as at 31st March 2019												
Hotel Tourist									98,817	162,355	98,817	162,355
Safari Digital Education Inititative Pvt. Ltd.							47,300	-			47,300	-

Note: All these parties has been identified & certified by management.

32 Unhedged foreign currency exposure : -

Particulars	**31-Mar-19**			**31-Mar-18**		
Trade receivables: -	(in ₹)			(in ₹)		
Qatari Riyal	4,465,667	QAR 234,998	19.00/- per QAR	7,625,522	QAR 426,000	17.90/- per QAR
UAE Dirhams	1,391,537	AED 73,900	18.83/- per AED	2,934,472	AED 165,600	17.72/- per AED
United States Dollar	-	-	-	940,163	USD 14,331	65.60/- per USD
Saudi Arab Riyal	-	-	-	781,123	SAR 45,000	17.36/- per SAR
Total	5,857,204			12,281,280		

33 Financial Instruments - Accounting classifications and fair value measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

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

A Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

B Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of fi nancial instruments by valuation technique:

Level I Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level II Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level III Unobservable inputs for the asset or liability.

	Carrying amount As at 31st 2019	Fair Value Level III
Financial assets at amortised cost		
Trade receivables	82,562,289	82,562,289
Cash and Bank balances	3,304,075	3,304,075
Loans	5,357,367	5,357,367
Total	**91,223,731**	**91,223,731**
Financial liabilities at amortised cost		
Borrowings	86,084,139	379,447,502
Trade payables	65,284,236	65,284,236
Other financial liabilities	37,737,432	37,737,432
Total	**189,105,107**	**482,469,170**

34 **Additional information**

	31/03/2019 Amount (Rs.)	**31/03/2018 Amount (Rs.)**
Earnings in foreign exchange:		
A. Export of goods /Services	51,738,683	54,834,349
	51,738,683	**54,834,349**
Expenditure in foreign currency		
A. Traveling	5,037,925	3,926,201
B. Marketing/Branding & Commission	13,109,042	17,825,181
	18,146,967	**21,751,382**

35 **Previous Year Figures have been regrouped/rearranged wherever necessary.**

For V. P. Jain & Associates
Chartered Accountants

sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 23 May 2019

For and on behalf of the Board of Directors of
DS Digital Private Limited

sd/-
Himanshu Gupta
Director
DIN : 00054015

sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Naveen Kundu
Chief Executive Officer

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
M No. A36926

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SAFARI DIGITAL EDUCATION INITIATIVE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Safari Digital Education Initiatives Pvt. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the 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 the 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, the 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 specified under section 143(10) of the Act (SAs). 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 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 there under, 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.

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 standalone 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 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 statements 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 Responsibilities 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:

- 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.
- 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 operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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 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 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

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;
   (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
   (e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 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. there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Sd/-
M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 23-05-2019

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 2019, 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 has granted 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.

(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 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 31.03.2019 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 31.03.2019 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

Sd/-
M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 23-05-2019

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 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 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 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 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

Sd/-
M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: 23-05-2019

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Balance sheet as at 31 March 2019

(Amount in ₹)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	20,432,810	22,525,417
Intangible assets	4	169,924,532	70,701,430
Intangible assets under development	4	49,058,252	14,328,634
Financial assets			
- Investments	5A	418,645,834	485,915,834
- Loans	5C	108,567,077	128,547,139
Other non-current assets	7	10,358,977	2,469,707
Deferred tax assets (net)	8	53,615,061	26,582,482
Total non-current assets		**830,602,543**	**751,070,644**
Current assets			
Inventories	6	20,410,644	6,568,643
Financial assets			
- Trade receivables	5B	180,411,961	98,185,283
- Loans	5C	8,181,000	220,000
- Cash and cash equivalents	5D	569,380	2,203,583
Other current assets	7	28,244,422	18,456,299
Total current assets		**237,817,407**	**125,633,807**
Total assets		**1,068,419,950**	**876,704,451**
Equity and liabilities			
Equity			
Equity share capital	9	443,692,680	443,692,680
Other equity	10	(222,587,097)	(79,250,063)
Total equity		**221,105,583**	**364,442,617**
Non-current liabilities			
Financial liabilities			
- Borrowings	11	645,174,365	441,615,924
Provisions	14	5,000,625	2,951,063
Other non-current liabilities	15	1,144,483	1,496,408
Deferred tax liabilities (net)	8	-	-
Total non current liabilities		**651,319,473**	**446,063,395**
Current liabilities			
Financial liabilities			
- Trade payables	12		
Total Outstanding dues of micro and small enterprises		14,419,733	3,424,176
Total Outstanding dues of creditors other than micro and small enterprises		161,991,697	51,248,610
- Other financial liabilities	13	13,849,580	6,555,224
Provisions	14	577,154	256,083
Other current liabilities	15	5,156,730	4,714,346
Total current liabilities		**195,994,894**	**66,198,439**
Total equity and liabilities		**1,068,419,950**	**876,704,451**
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
Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Rajagopalan Chandrashekar
Director
DIN: 03634002

Sd/-
Sheeba Dhamija
Company Secretary
Mem No: A29705

Sd/-
Vinay Sharma
Chief Executive Officer

Sd/-
Dinesh Sharma
Chief Financial Officer

Place : New Delhi
Date : 23/05/2019

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Statement of Profit and Loss for the Year 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	16	175,874,875	116,260,303
II	Other Income	17	27,022,307	22,691,378
III	**Total Income (I+II)**		**202,897,182**	**138,951,681**
IV	**Expenses**			
	Purchase of Stock-in-trade	18	82,166,176	40,319,520
	(Increase)/decrease in inventories of finished goods	20	(13,841,999)	(1,906,977)
	Employee benefits expense	21	71,057,370	43,165,156
	Finance cost	22	55,420,476	41,122,083
	Depreciation and amortisation expense	23	20,952,632	9,817,186
	Selling & Distribution Expenses	24b	44,232,367	19,838,691
	Other expenses	24a	45,602,566	27,787,178
	Total expenses		**305,589,588**	**180,142,837**
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**(102,692,406)**	**(41,191,156)**
VI	Provision for dimunition in value of investments	5a	67,270,000	
VII	**Profit/(loss) before tax**		**(169,962,406)**	**(41,191,156)**
VIII	**Tax expense:**			
	Current tax		-	
	Income tax adjustment related to earlier years		-	
	Deferred tax (credit)/ charge		(26,926,704)	(26,231,430)
	Total tax expenses		**(26,926,704)**	**(26,231,430)**
IX	**Profit (Loss) for the period**		**(143,035,701)**	**(14,959,725)**
X	**Other Comprehensive Income**			
	- Items that will not be reclassified to profit or loss	25		
	Re-measurement gains/(losses) on defined benefit plans		(407,207)	1,363,309
	Tax impact on re-measurement gain/ (loss) on defined benefit plans		105,874	351,052
XI	**Total Comprehensive Income for the period (V + VI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(143,337,034)**	**(13,245,364)**
XII	**Earnings per equity share:**	26		
	(1) Basic		(3.22)	(0.34)
	(2) Diluted		(3.22)	(0.34)
	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
Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Rajagopalan Chandrashekar
Director
DIN: 03634002

Sd/-
Sheeba Dhamija
Company Secretary
Mem No: A29705

Sd/-
Vinay Sharma
Chief Executive Officer

Sd/-
Dinesh Sharma
Chief Financial Officer

Place : New Delhi
Date : 23/05/2019

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Cash flow statement for the year ended 31 March 2019

	31 March 2019 (Amount in Rs.)	31 March 2018 (Amount in Rs.)
Cash flow from operating activities		
Profit before tax	(169,962,406)	(41,191,156)
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expenses	20,952,632	9,817,186
Interest expense	55,420,476	41,405,685
Provision for Doubtful Debts/Bad Debts	4,202,227	422,007
Foreign Exchange Fluctuations (Net)	(0)	41,572
Balances Written off	-	97,201
Provision for dimunition in Investment	67,270,000	-
Employee Benefit Expenses	(407,207)	1,372,431
Fair value gain on current financial instruments	(1,127,668)	(943,384)
Interest income	(8,872,090)	(6,751,256)
Operating profit before working capital changes	**(32,524,036)**	**4,270,286**
Movements in working capital :		
Increase in trade payables	121,738,644	27,600,322
Increase in provisions	2,370,633	554,718
Increase in other current liabilities	7,384,815	4,673,366
(Increase) in trade receivables	(86,428,905)	(65,945,937)
(Increase) in inventories	(13,842,001)	(1,906,980)
(Increase) in other financial assets	(18,587,255)	(6,491,382)
Cash generated from operating activities	**(19,888,106)**	**(37,245,607)**
Direct taxes paid (net of refunds)		-
Net cash flow from operating activities (A)	**(19,888,106)**	**(37,245,607)**
Cash flows from investing activities		
Purchase of fixed assets, including capital work in progress	(152,812,745)	(50,928,534)
Interest Received	8,872,090	6,751,256
Payment Proceeds from Loans & advances	14,056,593	1,405,259
Purchase of non current investments	-	(253,073)
Net cash used in investing activities (B)	**(129,884,062)**	**(43,025,092)**
Cash flows from financing activities		
Proceeds from long-term borrowings	203,558,441	121,256,174
Interest paid	(55,420,476)	(41,405,685)
Net cash (used in)/flow from financing activities (C)	**148,137,965**	**79,850,489**
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(1,634,203)	(420,211)
Cash and cash equivalents at the beginning of the year	2,203,583	2,623,794
Cash and cash equivalents at the end of the year	**569,380**	**2,203,583**
Components of cash and cash equivalents		
Cash on hand	389,271	51,603
Balances with banks		
- on current account	180,109	2,151,980
Total cash and cash equivalents (note 16)	**569,380**	**2,203,583**
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
Sd/-
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.

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Rajagopalan Chandrashekar
Director
DIN: 03634002

Sd/-
Sheeba Dhamija
Company Secretary
Mem No: A29705

Sd/-
Vinay Sharma
Chief Executive Officer

Sd/-
Dinesh Sharma
Chief Financial Officer

Place : New Delhi
Date : 23/05/2019

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Statement of changes in equity for the Year ended 31st March 2019

A. Equity share capital:

Equity shares	No. of shares	Amount in Rs.
Issued, subscribed and fully paid up (Share of Rs. 10 each)		
At 31 March 2018	**44,369,268**	**443,692,680**
Increase/(decrease) during the year	-	-
At 31 March 2019	**44,369,268**	**443,692,680**

B. Other equity **(Amount in ₹)**

Particulars	Reserve & Surplus		Total
	ESOPs reserve	Retained earnings	
Balance as at 1st April 2018	1,144,939	(80,395,002)	(79,250,063)
Changes in accounting policy / prior period errors	-	-	-
Restated balance at the beginning of the reporting period	1,144,939	(80,395,002)	(79,250,063)
Profit for the year	-	(143,035,701)	(143,035,701)
Other comprehensive income for the year	-	(301,333)	(301,333)
Total Comprehensive Income for the year	**-**	**(143,337,034)**	**(143,337,034)**
Changes during the year	(1,144,939)	1,144,939	-
Balance as at 31st March, 2019	**-**	**(222,587,097)**	**(222,587,097)**

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 form time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

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

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 are 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 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.

2.2 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 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.

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

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.

a) 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.

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 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.

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.

FIXED ASS4ETS (As per Companies Act) For the Year ended 31st Mar 2019

S NO.	ASSETS CLASS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		OPENING BALANCE 01.04.2018	ADDITIONS DURING THE PERIOD	DISPOSAL DURING THE PERIOD	IMPAIRMENT LOSS 31.03.2019	CLOSING BALANCE 31.03.2019	Useful Life (years)	OPENING BALANCE 01.04.2018	PROVIDED DURING THE PERIOD	ON DISPOSAL DURING THE PERIOD	CLOSING BALANCE 31.03.2019	CLOSING BALANCE 31.03.2019	CLOSING BALANCE 31.03.2018
(a)	**Tangible Assets**												
1	Furniture & Fixtures	6,769,110	488,210	-	-	7,257,320	10	1,111,595	671,177	-	1,782,772	5,474,548	5,657,515
2	Office Equipment	16,358,238	163,171	-	-	16,521,409	5	1,396,662	4,999,158	-	6,395,820	10,125,589	14,961,576
3	Computers & Pher-ipherals	3,623,378	4,582,460	-		8,205,838	3	1,717,052	1,656,113	-	3,373,165	4,832,673	1,906,326
	Total	**26,750,726**	**5,233,841**	**-**	**-**	**31,984,567**		**4,225,309**	**7,326,448**	**-**	**11,551,757**	**20,432,810**	**22,525,417**
(b)	**Intangible assets**												
1	INTANGIBLE ASSETS	80,644,131	112,731,850		-	193,375,981	10	10,121,586	13,492,082		23,613,668	169,762,313	70,522,545
2	INTANGIBLE ASSETS-SOFTWARE	398,920	117,436			516,356	3	220,034	134,102		354,136	162,220	178,886
	Total	**81,043,051**	**112,849,286**	**-**	**-**	**193,892,337**		**10,341,621**	**13,626,184**	**-**	**23,967,805**	**169,924,532**	**70,701,430**
(c)	**Capital Development In Progress**												
1	Content WIP	14,328,634	85,364,668	50,635,050		49,058,252	-	-	-	-	-	49,058,252	14,328,634
	Total	**14,328,634**	**85,364,668**	**50,635,050**	**-**	**49,058,252**	**-**	**-**	**-**	**-**	**-**	**49,058,252**	**14,328,634**
	Current Year Total	**122,122,411**	**203,447,795**	**50,635,050**	**-**	**274,935,156**		**14,566,930**	**20,952,632**	**-**	**35,519,562**	**239,415,594**	**107,555,481**

3. **Property, plant and equipment** **(Amount in ₹)**

Particulars	**Furniture & Fixtures**	**Office Equipment**	**Computers & Pheripherals**	**Total**
Gross block				
As at 1 April 2018	**6,769,110**	**16,358,238**	**3,623,378**	**26,750,726**
Additions	488,210	163,171	4,582,460	5,233,841
Disposals				
As at 31 March 2019	**7,257,320**	**16,521,409**	**8,205,838**	**31,984,567**
Accumulated depreciation				
As at 1 April 2018	**1,111,595**	**1,396,662**	**1,717,052**	**4,225,309**
Charge for the year	671,177	4,999,158	1,656,113	7,326,448
Deductions				
As at 31 March 2019	**1,782,772**	**6,395,820**	**3,373,165**	**11,551,757**
Net block				
As at 31 March 2018	**5,657,515**	**14,961,576**	**1,906,326**	**22,525,417**
As at 31 March 2019	**5,474,548**	**10,125,589**	**4,832,673**	**20,432,810**

4. **Intangible assets** **(Amount in ₹)**

Particulars	**Intangible Assets**	**Intangible Assets- Software**	**Intangible assets under development**	**Total**
Gross block				
As at 1 April 2018	**80,644,131**	**398,920**	**14,328,634**	**95,371,685**
Purchases/internal development	112,731,850	117,436	85,364,668	198,213,954
Disposals/Capitalisation			(50,635,050)	(50,635,050)
As at 31 March 2019	**193,375,981**	**516,356**	**49,058,252**	**242,950,589**
Accumulated depreciation				
As at 1 April 2018	**10,121,586**	**220,034**	**-**	**10,341,621**
Amortization for the year	13,492,082	134,102		13,626,184
Deductions				
As at 31 March 2019	**23,613,668**	**354,136**	**-**	**23,967,805**
Net block				
As at 1 April 2018	**70,522,545**	**178,886**	**14,328,634**	**85,030,064**
As at 31 March 2019	**169,762,313**	**162,220**	**49,058,252**	**218,982,784**

Note 1 : Includes Rs 2,36,55,627/- (PY : 1,27,89,887/-) towards capitalization of Salary and reimbursements made to employees during the Period and Rs.43,02,155/- (PY : 27,83,586/-) which pertains to administrative expenses. Amortisation is done on the basis of estimated use of 10 years.

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

Intangible assets under development:

Particulars	**Closing Balance**	**Expected Date of Completion**	**Expected Cost**
Curriculum Content	2,736,630	30/06/2019	4,500,000
Content development	641,916	31/05/2019	450,000
HCL Content	45,025,282	30/06/2019	2,500,000
CRM Implementation & Development	654,424	30/09/2019	500,000
Total	**49,058,252**		

Intangibles:

Particulars	Opening Balance	Additions	Deletions	Closing Balance
My Study Gear App Development	16,053,876	4,225,964		20,279,840
Content-DR1	626,094	-	-	626,094
Mylestone	56,416,736	46,234,646	-	102,651,382
Content Licences	5,697,426		-	5,697,426
Content Test Generator	590,000			590,000
Assessment Test Generator Mylestone	-	1,271,240		1,271,240
Digital Content	-	61,000,000		61,000,000
Total	**79,384,132**	**112,731,850**	**-**	**192,115,982**

Note 3: Amortisation Includes Impairment Rs. 45,57,941/- (PY-Nil)

5. Financial Assets **(Amount in ₹)**

5A. Investments

	Particulars	As at 31 March 2019	As at 31 March 2018
a.	**Investments at Transaction cost/amortised cost**		
i.	**Investments in equity shares (Unquoted)**		
	Investments in companies under same management		
	S. Chand Edutech Pvt. Ltd.	210,473	210,473
	{21,270 (PY 21270) Equity Shares of Rs. 10/- each}		
	Investment in associates		
	Edutor Technologies (India) Pvt. Ltd.	235,827,993	235,827,993
	(20,25,766 (PY 20,25,766) Equity Shares of Rs. 2/- each)		
	Less: Dimunition in Investment	(67,270,000)	-
	Net Investment in Edutor Technologies (India) Pvt. Ltd.	168,557,993	-
	D S Digital Pvt. Ltd.	136,085,974	136,085,974
	{1,70,37,165 (PY 1,70,37,165) Equity Shares of Rs. 10/- each}		
	Investment in others		
	Gyankosh Solutions Pvt Ltd	7,550	7,550
	(100 (PY 100) Equity Shares of Rs. 10/- each at a premium of Rs. 65.50 per share, as per Share Purchase Agreement)		
	Testbook Edu Solutions Pvt Ltd	826,551	826,551
	(100 Equity Shares of Rs. 10/- each at a premium of Rs. 8234/- per share, as per Share Purchase Agreement)		
		305,688,541	**372,958,541**

Particulars	As at 31 March 2019	As at 31 March 2018
Investments in preference shares		
Investment in associates		
D S Digital Pvt. Ltd.	61,704,000	61,704,000
(61,70,400 Preference Shares of Rs. 10/- each)		
Investment in others at Costs		
Gyankosh Solutions Pvt Ltd	24,152,450	24,152,450
(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)		
Testbook Edu Solutions Pvt Ltd	22,234,209	22,234,209
(2,690 Compulsory Convertible Cumulative Prefrence Shares of Rs. 500/- each at a premium of Rs. 7744/- per share, as per Share Purchase Agreement)		
Next Door Learning Solutions Pvt Ltd	4,866,635	4,866,635
(353 Compulsory Convertible Cumulative Prefrence Shares of Rs. 10/- each at a premium of Rs. 13776.50 per share, as per Share Purchase Agreement)		
	112,957,294	**112,957,294**
Net investments	**418,645,834**	**485,915,834**
Current	**-**	**-**
Non-Current	**418,645,834**	**485,915,834**

5B. Trade receivables **(Amount in ₹)**

Particulars	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Unsecured, considered good*	174,841,255	95,596,275
Trade Receivable from Related Party	5,570,706	2,589,008
Doubtful	3,858,205	
	184,270,166	**98,185,283**
Less: Allowance for expected credit loss		
Unsecured, considered good	(3,858,205)	
	(3,858,205)	**-**
Net Trade receivables		
Unsecured, considered good	180,411,961	98,185,283
	180,411,961	**98,185,283**
Current	**180,411,961**	**98,185,283**
Non-Current	**-**	**-**

* In absence of the confirmation considered good by the management.

5C. Loans (Amount in Rs.)

Particulars	As at 31 March 2019	As at 31 March 2018
Security deposits - Non Current	5,369,527	4,262,641
Security deposits - Current	-	220,000
Loan to JSR Marketing Pvt Ltd **	27,950,796	35,540,179
Loan to Related Parties		
S. Chand Edutech Pvt.Ltd.	24,035,654	21,843,645
D S Digital Pvt. Ltd.	56,766,774	63,430,674
Loan to Employee *	2,625,326	3,470,000
Total Loans and Advances	**116,748,077**	**128,767,139**
Current	**8,181,000**	**220,000**
Non-Current	**108,567,077**	**128,547,139**

5C.1 Employee advance of Rs 34.70 Lacs is regrouped under Loans from Other Assets and the fair value is computed as per IND AS.

** Loan from JSR Marketing Pvt Ltd will be recovered in 5 Years.

5D. Cash and cash equivalents (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- In current accounts	180,109	2,151,980
Cash in hand	389,271	51,603
Total Cash and cash equivalents	**569,380**	**2,203,583**

6. Inventories (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Finished Goods		
Traded Goods*	20,410,642	6,568,640
	20,410,642	**6,568,640**
Less : Provision for slow & non moving goods	-	
Total Inventories	**20,410,642**	**6,568,640**

* As certified by the management.

7. Other Assets (Amount in ₹)

7A. Prepaid expenses

Particulars	As at 31 March 2019	As at 31 March 2018
Prepaid expenses (Non current)	10,358,977	2,469,707
Prepaid expenses (Current)	2,883,088	3,880,229
Total Prepaid expenses	**13,242,065**	**6,349,936**

7B. Other assets

Particulars	As at 31 March 2019	As at 31 March 2018
		(Amount in ₹)
Advances to Suppliers	1,660,216	216,008
Advances to Employees *	699,781	1,685,819
Balance with Govt Authorities	23,001,337	12,674,242
Total Other assets	**25,361,334**	**14,576,069**
Current	**28,244,422**	**18,456,299**
Non-Current	**10,358,977**	**2,469,707**

* Loan to Employee of Rs 34.70 Lacs has been transferred to Note 5C.

8. Deferred taxes

Particulars	As at 31 March 2019	As at 31 March 2018
		(Amount in ₹)
Items leading to creation of deferred tax assets		
Impact on account of brought forward losses & depreciation of income tax	58,807,566	30,821,233
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	-	
Provision for doubtful debt & advances	1,003,133	
Others	1,450,223	930,583
Provision for dimunition in investment	-	
Total deferred tax assets	**61,260,922**	**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	(7,645,861)	(5,169,334)
Impact of Ind AS adjustments	-	
Total deferred tax liabilities	**(7,645,861)**	**(5,169,334)**
Net deferred tax assets/(liabilities)	**53,615,061**	**26,582,482**

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

9. Share Capital

Particulars	As at 31 March 2019	As at 31 March 2018
		(Amount in ₹)
Authorised		
4,50,00,000 (31 March 2018: 4,50,00,000) equity shares of Rs 10/- each	450,000,000	450,000,000
Issued, subscribed and fully paid up		
4,43,69,268 (31 March 2018: 4,43,69,268) equity shares of Rs 10/- each	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.
As at 1 April 2018	**44,369,268**	**443,692,680**
Increase/(Decrease) during the year	-	-
As at 31 March 2019	**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 2019 (31 March 2018: 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 2019	31 March 2018
	(Rs.)	(Rs.)
S Chand And Company Limited, holding company	265,840,680	265,840,680
Dinesh Kumar Jhunjhnuwala (As nominee of S Chand And Company Limited)	1,000	1,000
Nirja Publishers & Printers Pvt ltd	177,850,000	177,850,000
Vikas Publishing House Pvt Ltd	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 31 March 2018	26,584,168	59.92%
As at 31 March 2019	26,584,168	59.92%
Nirja Publishers and Printers Pvt Ltd		
As at 31 March 2018	17,785,000	40.08%
As at 31 March 2019	17,785,000	40.08%

* 100 Equity Shares held by Dinesh Kumar Jhunjhnuwala (As nominee of S Chand And Company Limited)

10. Other Equity (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Retained earning		
Balance as the Beginning of reporting period	(80,395,002)	(67,149,638)
Add: Surplus during the year	(142,192,095)	(13,245,364)
Add: Other Comprehensive income		
Balance as the end of reporting period	**(222,587,097)**	**(80,395,002)**
ESOPs reserve		
Balance as the Beginning of reporting period	1,144,939	1,135,817
Increase/(Decrease) during the year	(1,144,939)	9,122
Balance as the end of reporting period ©	**-**	**1,144,939**
Total (A+B+C+D)	**(222,587,097)**	**(79,250,063)**

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. In View of non excercise of options within the prescribed time Reserves created in earlier years is reversed.

11. Non-current borrowings (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Loan from related party		
-Nirja Publishers & Printers Pvt.Ltd. (Note 1)	285,240,869	260,096,454
-S Chand And Company Limited. (Note 2)	159,552,227	84,556,582
-Eurasia Publishing House Pvt Ltd (Note 3)	103,618,607	94,315,940
-Chhaya Prakashani Pvt. Ltd (Note 4)	93,798,080	-
Security Deposit Received-Premises	2,964,582	2,646,948
(from S Chand And Company Limited -Holding Company)		
Total Non-current borrowings	**645,174,365**	**441,615,924**
Secured	**-**	
Unsecured	**645,174,365**	**441,615,924**

1 Optionally Convertible loan amount Rs. 20,12,00,000/- (PY - Rs. 20,12,00,000/-) & Interest amount Rs. 8,40,40,869/- (PY - Rs. 5,88,96,454/-)

2 Optionally Convertible loan amount Rs. 14,99,40,000/- (PY - Rs. 8,34,40,000/-) & Interest amount Rs. 96,12,227/- (PY - Rs.11,16,582/-)

3 Optionally Convertible loan amount Rs. 8,25,60,000/- (PY - Rs. 8,25,60,000/-) & Interest amount Rs. 2,10,58,607/- (PY - Rs. 1,17,55,940/-)

4 Optionally Convertible loan amount Rs. 9,10,00,000/- (PY - Rs Nil) & Interest amount Rs. 27,98,080/- (PY - Rs. Nil)

12. Trade payables (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payables of micro enterprises and small enterprises *	14,419,733	3,424,176
Trade payables of related entities	149,759,394	46,664,995
Trade payables other than micro enterprises and small enterprises	12,232,303	4,583,615
Total Trade payables	**176,411,430**	**54,672,786**
Current	**176,411,430**	**54,672,786**
Non-Current	**-**	**-**

* On the basis of informations received by the company during the year.

13. Other financial liabilities (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Expenses payable	13,849,580	6,555,224
Total other financial liabilities	**13,849,580**	**6,555,224**
Current	**13,849,580**	**6,555,224**
Non current	**-**	**-**

14. **Provisions** (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for gratuity	2,559,643	1,367,429
Provision for leave encashment	3,018,136	1,839,717
Total provisions	**5,577,779**	**3,207,146**
Current	**577,154**	**256,083**
Non current	**5,000,625**	**2,951,063**

15. **Other liabilities** (Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory dues	4,015,386	3,691,377
Advance from customers	789,418	671,043
Other liabilities	1,496,409	1,848,334
Total other liabilities	**6,301,213**	**6,210,754**
Current	**5,156,730**	**4,714,346**
Non current	**1,144,483**	**1,496,408**

16. **Revenue from operations** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products		
- Curriculum Books Sales	147,238,224	86,337,088
Sale of services		
- E- Book Sale *	5,979,006	4,347,407
- Digital Data Management Services	12,000,000	12,000,000
- Training Income **	3,110,491	7,948,508
- License Fee	7,478,499	5,627,300
Other operating income		
Scrap sale	68,655	-
Total revenue from operations	**175,874,875**	**116,260,303**

* As certified by management

** Net of Sales Return of Rs 20.97 Lac.

17. **Other incomes** (Amount in ₹)

Income from rent	12,282,000	10,680,000
Income from maintenance	707,826	643,478
Interest income	8,872,090	6,751,256
Fair value gain on financial instrument	5,160,391	4,616,644
Total other income	**27,022,307**	**22,691,378**

18. **Purchase of stock-in-trade** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Books purchase	75,695,416	35,757,342
E Books purchase	4,769,281	3,362,734
Test papers & skill assessment reports	1,701,479	1,199,444
	82,166,176	**40,319,520**

20. **(Increase)/decrease in inventories** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventories at the end of the period		
Trade Items	20,410,642	6,568,640
	20,410,642	**6,568,640**
Inventories at the beginning of the year		
Trade Items	6,568,643	4,661,663
	6,568,643	**4,661,663**
(Increase)/decrease in inventories	**(13,841,999)**	**(1,906,977)**

21 **Employee benefits expenses** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	66,709,312	40,396,314
Contribution to provident and other funds	2,270,862	1,093,368
Gratuity expenses	785,007	1,234,172
Leave encashment	1,212,652	389,982
Staff welfare expenses	79,537	51,320
Total employee benefits expenses	**71,057,370**	**43,165,156**

22. **Finance cost** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense	55,383,524	41,082,076
Bank charges	36,952	40,007
Total finance cost	**55,420,476**	**41,122,083**

23. **Depreciation and amortisation expneses** (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant & equipement	7,326,448	2,140,430
Amortisation of intangible assets	13,626,184	7,676,756
Total depreciation and amortisation expneses	**20,952,632**	**9,817,186**

24 (a). Other expenses (Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Repairs & maintenance- others	1,523,918	1,441,160
Legal & professional fees	2,843,168	1,654,068
Payment to auditors	250,000	250,000
Internet & telephone Exps	1,065,003	615,849
Office expenses	643,604	349,899
Books & subscriptions	171,743	143,422
Power & electricity	1,245,170	507,619
Consultancy charges	396,116	70,000
Exchange fluctuation difference	(13,274)	41,572
Rent {Refer Note 24 (a).1}	18,163,480	17,636,368
Rate & taxes	92,660	49,000
Bad debts	344,022	422,007
Provision for doubtful debts	3,858,205	-
Insurance expenses	167,409	297,864
Fair value loss on financial instrument	4,032,723	3,956,862
Miscellaneous expenses {Refer Note 24 (a).2}	10,818,620	351,487
Total other expenses	**45,602,566**	**27,787,178**

24(a).1 Excludes Rs. 22,59,956/- (PY - Rs. 10,50,670/-) Capitalised during the year

24(a).2 Includes Reimbursment of Expenses to Holding company Rs 52.11 Lac (PY - Nil), Books Repair Rs 10.57 Lac (PY - Nil), Platform License fee Rs 33.72 Lac (PY - Nil).

24 (b) Selling & distribution expenses (Amount in ₹)

Advertisement expenses	1,369,281	1,423,859
Sales promotion	9,620,432	4,398,622
Travelling & boarding & conveyance expenses	30,272,279	13,679,045
Courier charges	2,970,374	337,165
Total selling & distribution expenses	**44,232,367**	**19,838,691**

Payment to auditor

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor		
Audit fee	200,000	200,000
Tax advisory services	50,000	50,000
Out of pocket expenses	-	
	250,000	**250,000**

25. Components of Other Comprehensive Income (OCI)

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

During the Period ended 31 March 2019 **(Amount in ₹)**

Particulars	Retained earnings	Total
Re-measurment gains/(losses) on defined benefit plans	(407,207)	(407,207)
Tax impact on re-measurement gains/(losses) on defined benefit plans	105,874	105,874
	(301,333)	**(301,333)**

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**

26 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

(Amount in ₹)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders of the company	(143,035,701)	(14,959,725)
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	44,369,268	44,369,268
Basic EPS	(3.22)	(0.34)
Diluted EPS	(3.22)	(0.34)
Face Value Per Share	10	10

27. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists	
Holding Company	S. Chand And Company Limited
Associate Companies / Firms	DS Digital Pvt. Ltd.
	Edutor Technologies (India) Pvt. Ltd.
Companies under same Management	Nirja Publishers & Printers Pvt. Ltd.
	Chhaya Prakashani Pvt. Ltd.
	S. Chand Edutech 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. Sharad Talwar, Independent Director
	Mr. Rajagopalan Chandrashekar, Independent Director
	Mr. Vinay Sharma, Chief Executive Officer
	Mr. Dinesh Sharma, Chief Financial Officer
	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:

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
(A) Transactions												
Sale of Digital & Printed Books												
Edutor Technologies (India) Pvt. Ltd.					290,784	180,041					**290,784**	**180,041**
DS Digital Pvt. Ltd.					147,300						**147,300**	**-**
QR Code Development Services/ Content Licence Fee												
S Chand And Company Limited	3,050,596	5,627,300									**3,050,596**	**5,627,300**
Madhubun (Vikas Publishing House Pvt. Ltd.)									947,782		**947,782**	**-**
New Saraswati House (India) Pvt. Ltd.									3,480,121		**3,480,121**	**-**
Data Management Services												
Vikas Publishing House Pvt. Ltd.									6,000,000	6,000,000	**6,000,000**	**6,000,000**
New Saraswati House (India) Pvt. Ltd.									6,000,000	6,000,000	**6,000,000**	**6,000,000**
Premises Rent Received												
S. Chand And Company Limited	12,282,000	10,680,000									**12,282,000**	**10,680,000**
Puchase of E Books, Printed Books and Digital Content												
S Chand And Company Limited	3,370,092	2,290,826									**3,370,092**	**2,290,826**
Vikas Publishing House Pvt. Ltd.									60,963,875	28,546,901	**60,963,875**	**28,546,901**
New Saraswati House (India) Pvt. Ltd.									61,225,382	145,711	**61,225,382**	**145,711**
BPI (India) Pvt. Ltd.									176,963	145,417	**176,963**	**145,417**
App Development Support Service Received												
S Chand Edutech Private Limited											**-**	**-**
Edutor Technologies (India) Pvt. Ltd.					3,406,456						**3,406,456**	**-**
Interest Income on Loans and Advances Given												
DS Digital Pvt. Ltd.					6,432,000	6,432,000					**6,432,000**	**6,432,000**
S. Chand Edutech Pvt. Ltd.									2,435,566		**2,435,566**	**-**

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
Interest Expense on Loan and Advances Received												
S Chand And Company Limited	13,038,785	3,538,430									**13,038,785**	**3,538,430**
Nirja Publishers & Printers Pvt. Ltd.									28,502,236	28,224,264	**28,502,236**	**28,224,264**
Chhaya Prakashani Pvt. Ltd.									3,108,977		**3,108,977**	**-**
Eurasia Publishing House Pvt. Ltd.									10,336,294	9,191,746	**10,336,294**	**9,191,746**
Maintenance Income and Reimbursement for Electricity												
S Chand And Company Limited	1,564,751	1,362,472									**1,564,751**	**1,362,472**
Management Shared Services												
S Chand And Company Limited	5,211,341	-									**5,211,341**	**-**
Reimbursement of Travel, Filing Fee &Subscriptions												
S Chand And Company Limited	73,429	130,960									**73,429**	**130,960**
Salary, Perks and Allowances												
Sheeba Dhamija							150,000	1,065,479			**150,000**	**1,065,479**
Vinay Sharma							11,349,282	15,492,433			**11,349,282**	**15,492,433**
Dinesh Sharma							1,626,488	1,529,136			**1,626,488**	**1,529,136**
Director Sitting Fees												
Sharad Talwar							125,000	250,000			**125,000**	**250,000**
Rajagopalan Chandrashekar							175,000	-			**175,000**	**-**
Loans and Advances Received												
S Chand And Company Limited	66,500,000	83,440,000									**66,500,000**	**83,440,000**
Nirja Publishers & Printers Pvt. Ltd.											**-**	**-**
Eurasia Publishing House Pvt. Ltd.										22,560,000	**-**	**22,560,000**
Chhaya Prakashani Pvt. Ltd.									91,000,000		**91,000,000**	**-**
(B) Outstanding balances at the Period 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 2019												
DS Digital Pvt. Ltd.					56,719,474	63,430,674					**56,719,474**	**63,430,674**
S. Chand Edutech Pvt. Ltd.									24,035,654	21,843,645	**24,035,654**	**21,843,645**

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
Trade Receivables as at 31st Mar 2019												
Edutor Technologies (India) Pvt. Ltd.					1,100,262	1,180,132					**1,100,262**	**1,180,132**
New Saraswati House (India) Pvt. Ltd.									3,897,150	1,408,876	**3,897,150**	**1,408,876**
S Chand And Company Limited	525,994										**525,994**	**-**
DS Digital Pvt. Ltd.					47,300						**47,300**	**-**
Trade Payables as at 31st Mar 2019												
Vikas Publishing House Pvt. Ltd.									71,096,157	40,244,425	**71,096,157**	**40,244,425**
New Saraswati House (India) Pvt. Ltd.					61,000,000	-					**61,000,000**	**-**
S Chand And Company Limited	16,576,556	6,985,949									**16,576,556**	**6,985,949**
BPI (India) Pvt. Ltd.									120,465	42,784	**120,465**	**42,784**
Edutor Technologies (India) Pvt. Ltd.					966,216						**966,216**	**-**
Investments made as at 31st Mar 2019												
DS Digital Pvt. Ltd.					197,789,974	197,789,974					**197,789,974**	**197,789,974**
S. Chand Edutech Pvt. Ltd.									210,473	210,473	**210,473**	**210,473**
Edutor Technologies (India) Pvt. Ltd.					168,557,993	235,827,993					**168,557,993**	**235,827,993**
Long Term Borrowings as at 31st Mar 2019												
S Chand And Company Limited	159,552,227	84,556,582									**159,552,227**	**84,556,582**
Nirja Publishers & Printers Pvt. Ltd.									285,240,869	260,096,454	**285,240,869**	**260,096,454**
Eurasia Publishing House Pvt. Ltd.									103,618,607	94,315,940	**103,618,607**	**94,315,940**
Chhaya Prakashani Pvt. Ltd.									93,798,080		**93,798,080**	**-**

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

27 (b). Unhedged foreign currency exposure : -

Particulars	**31-Mar-19**			**31-Mar-18**		
Trade receivables: -	(INR)			(INR)		
United States Dollar	127,117	USD 1792	70.92/- per USD	219,686	USD 3420	64.24/- per USD
Mexican Peso	4,019	MXN 1116	3.60/- per MXN	5,125	MXN 1451	3.53/- per MXN
Japanese Yen	9,303	JPY 14600	0.64/- per JPY	4,929	JPY 8593	0.57/- per JPY
Great Britain Pound	30,919	GBP 331	93.48/- per GBP	26,638	GBP 303	87.91/- per GBP
Euro	38,768	EUR 478	81.03/- per EUR	31,209	EUR 402	77.63/- per EUR
Canadian Dollar	12,580	CAD 235	53.45/- per CAD	10,401	CAD 203	51.24/- per CAD
Brazilian Real	9,482	BRL 506	18.74/- per BRL	9,498	BRL 480	19.79/- per BRL
Australian Dollar	13,697	AUD 267	51.25/- per AUD	9,159	AUD 182	50.32/- per AUD
Total	**245,885**			**316,645**		

27 (c). Additional information : -

	31/03/2019	31/03/2018
Earnings in foreign exchange:	Amount (Rs.)	Amount (Rs.)
A. Export of goods /Services	2,672,570	2,062,660
	2,672,570	**2,062,660**
Expenditure in foreign currency		
A. Traveling	509,404	992,103
B. Marketing Expenses	851,793	-
	1,361,197	**992,103**

28 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		2018-19	2017-18
I	**Change in present value of defined benefit obligation during the year**		
	Defined Benefit Obligation as of Prior Year	1,367,430	1,496,566
	Service Cost : -		
	Current service cost	683,235	1,123,472
	Interest Cost	101,772	110,700
	Benefit payments directly by employer		
	Actuarial (Gain) / Loss - Demographic	-	(1,234,703)
	Actuarial (Gain) / Loss - Financial	54,575	(5,193)
	Actuarial (Gain) / Loss - Experience	352,631	(123,413)
	Defined Benefit Obligation at the end of Current Year	**2,559,643**	**1,367,429**
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	1,367,429	1,496,566
	Defined benefit cost included in P&L	785,007	1,234,172
	Total remeasurements included in OCI	407,207	(1,363,309)
	Direct benefit payments by Employer		
	Net defined benefit liability (asset) - end of period	**2,559,643**	**1,367,429**
IV	**Expense recognised in the statement of profit or loss during the year**		
	Service cost	683,235	1,123,472
	Net interest cost	101,772	110,700
	Total expense recognised in the employee benefit expense	**785,007**	**1,234,172**
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	54,575	(5,193)
	Actuarial (Gain) / Loss due to Experience on DBO	352,631	(123,413)
	Cumulative OCI - (Income)/Loss, End of Period	**407,206**	**(1,363,309)**

Particulars		2018-19	2017-18
VI	**Maturity profile of defined benefit obligation**		
	Year 1	168,212	2,710
	Year 2	188,507	121,899
	Year 3	234,225	133,679
	Year 4	282,220	162,215
	Year 5	338,543	189,046
	Year 6 to 10	1,335,033	775,077
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	2,756,736	1,477,548
	Discount rate + 100 basis points	2,385,062	1,269,797
	Impact of change		
	Discount rate - 100 basis points	(197,093)	(110,119)
	Discount rate + 100 basis points	174,581	97,632
	b) Impact of change in salary		
	Present Value of obligation at the end of the period		
	Rate - 100 basis points	2,387,780	1,271,078
	Rate + 100 basis points	2,749,440	1,473,793
	Impact of change		
	Discount rate - 100 basis points	171,863	96,351
	Discount rate + 100 basis points	(189,797)	(106,364)
VIII	**Actuarial assumptions**		
	Discount Rate	7.45%	7.45%
	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%	15.00%

The actuarial valuation of the present valuation of defined benefit obligation were carried out as at March 31, 2019. 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.

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		2018-19	2017-18
I	**Change in present value of defined benefit obligation during the year**		
	Defined Benefit Obligation as of Prior Year	1,839,718	1,527,881
	Service Cost : -		
	Current service cost	952,312	986,103
	Interest Cost	127,621	113,018

Particulars		2018-19	2017-18
	Benefit payments directly by employer	(34,233)	(78,146)
	Actuarial (Gain) / Loss - Demographic	-	(811,528)
	Actuarial (Gain) / Loss - Financial	53,946	(5,548)
	Actuarial (Gain) / Loss - Experience	78,773	107,938
	Defined Benefit Obligation at the end of Current Year	**3,018,137**	**1,839,718**
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	1,839,717	1,527,881
	Defined benefit cost included in P&L	1,212,652	389,982
	Total remeasurements included in OCI		
	Direct benefit payments by Employer	(34,233)	(78,146)
	Net defined benefit liability (asset) - end of period	**3,018,136**	**1,839,717**
IV	**Expense recognised in the statement of profit or loss during the year**		
	Service cost	952,312	986,103
	Net interest cost	127,621	113,018
	Immediate recognition of loss	132,719	-709,138
	Total expense recognised in the employee benefit expense	**1,212,652**	**389,983**
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	408,942	253,373
	Year 2	381,980	236,674
	Year 3	356,782	221,071
	Year 4	333,226	206,487
	Year 5	321,218	192,852
	Year 6 to 10	1,270,384	792,273
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	3,212,315	1,735,154
	Discount rate + 100 basis points	2,845,271	1,957,124
	Impact of change		
	Discount rate - 100 basis points	(194,178)	104,564

Particulars		2018-19	2017-18
	Discount rate + 100 basis points	172,866	(117,406)
	b) Impact of change in salary		
	Present Value of obligation at the end of the period		
	Rate - 100 basis points	2,847,972	1,736,528
	Rate + 100 basis points	3,205,145	1,953,129
	Impact of change		
	Discount rate - 100 basis points	170,165	103,190
	Discount rate + 100 basis points	(187,008)	(113,411)
VIII	**Actuarial assumptions**		
	Discount Rate	7.15%	7.45%
	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%	15.00%

29. 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, 2019	As at March 31, 2018
At start of year	26,582,482	-
Ind-AS transition adjustment	-	-
Credit to Statement of Profit and Loss	27,032,578	26,582,482
At end of year	**53,615,061**	**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, 2018	Credit to profit or loss	As at March 31, 2019
Deferred tax asset in relation to:			
Property, plant and equipment	(5,169,334)	(2,476,527)	(7,645,861)
Dimunition in Investment		-	-
Carried Forward Losses	21,864,498	19,943,510	41,808,008
Unabsorbed Decpreciation	8,956,736	8,042,823	16,999,558
Disallowance under the Income Tax Act, 1961	930,583	1,522,773	2,453,356
	26,582,482	**27,032,578**	**53,615,061**

b.

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Income tax recognised in Statement of Profit and Loss		
Deferred tax		
In respect of the current year	(27,032,578)	(26,582,482)
Total income tax expenses recognised in the current year	**(27,032,578)**	**(26,582,482)**

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

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Loss before tax	(77,249,486)	(29,881,714)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	-	-
Tax effect of :		
Expenses not allowed	103,971,454	102,240,317
Tax Impact of expenses not allowed	27,032,578	26,582,482
Tax Expenses recognised in Statement of Profit and Loss	27,032,578	26,582,482

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

As per our report of even date

For Madan & Associates
Chartered Accountants
Sd/-
M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

Place : New Delhi
Date : 23/05/2019

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

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Rajagopalan Chandrashekar
Director
DIN: 03634002

Sd/-
Sheeba Dhamija
Company Secretary
Mem No: A29705

Sd/-
Vinay Sharma
Chief Executive Officer

Sd/-
Dinesh Sharma
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of S Chand & Company Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of S Chand & Company Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss, including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Impairment of loans and investments in subsidiaries (as described in note 51 of the financial statements)</td></tr>
<tr><td>As at March 31, 2019, the carrying values of the Company’s interests in subsidiaries namely D S Digital Private Limited (“DS Digital”) and Safari Digital Education Initiative Private Limited (“Safari Digital”), amounted to INR 413.40 million and INR 442.68 million respectively. Management reviewed regularly whether there are any indicators of impairment of the investments. Impairment indicators were observed on the loans and investments in DS Digital and Safari Digital. As a result, an impairment assessment was required to be performed by comparing the carrying value of these subsidiaries to their recoverable amount to determine whether an impairment was required to be recognized.

For loans, the Company adopted an individual impairment assessment approach for each individual loan. In assessing the recoverability, management exercised judgements to evaluate the collectability considering whether DS Digital and Safari Digital have financial difficulties, in repaying the loans.

For investments where impairment indicators exist, management estimated the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. The value in use of the underlying businesses is determined based on the discounted cash flow projections. The recoverable amount was determined in accordance with Ind AS 36 Impairment of Assets to be the higher of the fair value less cost of disposal, and the value in use, determined by discounting future cash flows.

The processes and methodologies for assessing and determining the recoverable amount are based on management’ judgment, with reference to the identification of impairment indicators, to forecast of future cash flows, the normalized cash flows assumed as a basis for the terminal value, as well as the long-term growth rates and discount rates applied to such cash flows forecasts.

Apart from regularly assessing the impairment indicators as mentioned above, during the year ended Mar’18, the Company had filed a scheme with SEBI, for merger of education business of both Safari Digital and DS Digital. As per management, this merger was initiated in view of better synergy of operations of education business of both subsidiaries. In view of this, the Company has assessed for impairment in these subsidiaries for the remaining business operations (i.e. non-education business). Based on the recoverable value, the Company has recognized impairment loss of INR 50 million pertaining to non-education business of DS Digital.

In consideration of the judgment required and assumptions used in the estimate of the recoverable amount, we have considered that this area represents a key audit matter.</td><td>Our audit procedures performed included the following:

❖ Assessment of the report produced by the third-party specialists, as well as the assessment of their competence and objectivity; we also assessed the Company’s valuation methodology applied in determining the recoverable amount, the assumptions around the key drivers of the cash flow forecasts with reference to expected growth rates.

❖ Assessment of the accuracy of actual results against previous forecasts;

❖ Assessment of the long-term growth rates and discount rates.

❖ We reviewed the amalgamation scheme filed with SEBI.

❖ We analyzed, whether accumulated losses pertaining to education business which is to be merged, are available for utilization by the Company.

❖ We assessed the adequacy of the disclosures made in the financial statements.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Provisions for doubtful debts (As described in 2.1 of the financial statements)</td></tr>
<tr><td>The Company is required to regularly assess the recoverability of its trade receivables. The recoverability of trade receivables was significant to our audit due to the value of amounts aged greater than the credit terms extended to customers.

The provisions for doubtful debts are determined through expected credit loss model under Ind AS 109 Financial Instruments. This involves judgement as the expected credit losses must reflect information about past events, current conditions and forecasts of future conditions, as well as the time value of money.

The Company's disclosures are included in Note 5C and Note 2.1 to the financial statements, which outlines the accounting policy for determining the allowance for doubtful debts and details of the period on period movement in gross and net trade receivables.</td><td>In obtaining sufficient audit evidence over the carrying value of trade receivables, we:

❖ Tested the ageing of trade receivables for a sample of customer transactions;

❖ Tested subsequent receipts after year-end on sample basis;

❖ Considered the customers' historical payment trends.

❖ We assessed the Company's provisioning policy, which included assessing the calculation required under Ind AS 109. We assessed whether the time value of money was considered in the expected credit loss impairment model and checked the mathematical accuracy of the calculations.

❖ We assessed the adequacy of the Company's disclosures in relation to trade receivables included in the financial statements.</td></tr>
<tr><td colspan="2">Provision for Sales return (as described in note 50 of the financial statements)</td></tr>
<tr><td>The company is involved in publishing and distribution of educational books. Due to the nature of business significant amount of returns are received in the years subsequent to the year when books are sold. Provision for such sales returns are estimated, deducted from gross sales and recorded as a deduction from accounts receivable.

Estimates of expected future sales returns are required to be made at the time of sale. When determining the appropriate allowance, management considers historical trends as a basis for the estimate as well as all other known factors, which could significantly influence the level of future sales returns. Significant judgement is required in assessing the appropriate level of the provision for sales return.

Such judgements include management's expectations of forecast sales return and historical estimates of sales return vis a vis the sales made during the year.

During the year ended March 31, 2019, the Company also experienced significant sales returns in relation to sales made during year-ended March 31, 2018, primarily due to unknown business facts which were either not anticipated by the management or was outside the ordinary course of business.</td><td>Our audit procedures included the following:

❖ We obtained management's calculations for provision for sales returns, recalculated the amounts for mathematical accuracy and tested controls related to approval of sales return as per authority matrix i.e. budget, evaluated the assumptions used by reference to internal sources (i.e. management budgets), historical sales returns levels.

❖ We considered the accuracy of management's estimates in previous years by comparing historical provisions to the actual amounts to assess the management ability to accurately estimate their sales return allowance.

❖ We considered the adequacy of the Company's revenue recognition accounting policies, including the recognition and measurement of deductions to gross sales relating to sales returns and related disclosures.

❖ We tested the sales return after the balance sheet date to determine whether the revenue has been recognized in the appropriate period or not.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

❖ Identify and assess the risks of material misstatement of the standalone Ind AS 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.

❖ Obtain an understanding of internal control 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 operating effectiveness of such controls.

❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

❖ 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 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.

❖ Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Ind AS financial statements for the financial year ended March 31, 2019 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the Statement of Other Comprehensive Income, the Cash

Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 49 to the standalone Ind AS financial statements;

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

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

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

Sd/-
per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: 28 May 2019

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

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

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The management has conducted physical verification of inventory at reasonable interval during the year and no material discrepancies noted on such verification.

(iii) (a) The Company has granted loans to five companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted loans to a firm covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

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

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act 2013, for the product/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delay in few cases.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Payment of Bonus Act'1965	Bonus	INR 3.6 million	FY 14-15- and FY 15-16	Within 8 months from the date the close of accounting year	Not yet paid

(c) According to the information and explanation given to us, dues of income tax, sales-tax, service tax/goods and service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of dues	Amount (Rs.)	Amount Paid (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	30,297,622	-	A.Y 2004-05	Delhi High Court
		4,459,354	-	A.Y 2005-06	Delhi High Court
		1,456,060	1,456,060	A.Y 2006-07	Delhi High Court
		3,424,588	-	A.Y 2007-08	Delhi High Court
		6,988,592	-	A.Y 2007-08	Delhi High Court
		4,163,128	-	A.Y 2008-09	Delhi High Court
		5,338,597	-	AY 2009-10	Delhi High Court
		6,628,820	4,059,842	AY 2010-11	ITAT
		8,184,960	-	AY 2011-12	ITAT
		9,997,850	-	AY 2012-13	ITAT
		3,339,530	-	AY 2013-14	CIT (A)
		3,093,320	-	AY 2014-15	CIT (A)
		4,443,190	-	AY 2015-16	CIT (A)

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

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of initial public offer and term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given by the management, the managerial remuneration has been paid/ provided for in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Sd/-
per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: May 28, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF S CHAND AND COMPANY LIMITED

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

We have audited the internal financial controls over financial reporting of S Chand and Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

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

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are 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 With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
per Yogesh Midha
Partner
Membership Number: 94941

Place: New Delhi
Date: May 28, 2019

S Chand And Company Limited
Balance Sheet as at 31 March 2019
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	198.39	91.27
Intangible assets	4	182.21	167.63
Capital work-in-progress		1.51	0.47
Intangible assets under development		5.63	-
Financial assets			
- Investments	5A	6,075.30	6,066.96
- Loans	5F	577.85	652.31
- Other financial assets	5E	4.86	8.58
Deferred tax assets (net)	8	235.85	51.00
Other non-current assets	7	104.22	40.91
Total non-current assets		**7,385.82**	**7,079.13**
Current assets			
Inventories	6	798.71	526.00
Financial assets			
- Investments	5B	36.39	176.42
- Loans	5F	94.66	79.93
- Trade receivables	5C	1,965.48	3,026.87
- Cash and cash equivalents	5D	237.99	389.30
- Other financial assets	5E	17.10	8.95
Other current assets	7	59.01	63.21
Total current assets		**3,209.34**	**4,270.68**
Total assets		**10,595.16**	**11,349.81**
Equity and liabilities			
Equity			
Equity share capital	9	174.88	174.88
Other equity			
- Retained earnings	10	1,436.44	1,810.60
- Other reserves	10	6,616.86	6,614.76
Total equity		**8,228.18**	**8,600.24**
Non-current liabilities			
Financial liabilities			
- Borrowings	12A	577.43	4.86
Net employee defined benefit liabilities	16	12.19	8.90
Other non-current liabilities	14	6.27	6.04
Total non-current liabilities		**595.89**	**19.80**
Current liabilities			
Financial liabilities			
- Borrowings	12B	619.80	507.62
- Trade payables	13		
Micro enterprises and small enterprises		3.27	6.57
Other than micro enterprises and small enterprises		802.40	1,249.10
- Other financial liabilities	14	255.52	732.44
Other current liabilities	15	90.01	100.81
Other provisions	17	0.09	133.23
Total current liabilities		**1,771.09**	**2,729.77**
Total equity and liabilities		**10,595.16**	**11,349.81**
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants
Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : May 28, 2019

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
M. No. A15028

S Chand And Company Limited
Statement of Profit and Loss for the year ended 31 March 2019
CIN: L22219DL1970PLC005400

(₹ in millions)

		Notes	For the year ended 31 March, 2019	For the year ended 31 March, 2018
I	Revenue from operations	18	1,944.00	3,439.90
II	Other income	19	232.60	270.23
III	**Total Income**		**2,176.60**	**3,710.13**
IV	**Expenses**			
	Cost of published goods/material consumed	20	973.72	1,251.01
	Purchase of traded goods	21	46.18	16.03
	(Increase)/decrease in inventories of finished goods and work in progress	22	(201.66)	66.71
	Publication expense	23	204.38	380.37
	Selling and distribution expense	24	304.96	233.57
	Employee benefits expense	25	572.65	543.83
	Finance costs	28	106.34	97.22
	Depreciation and amortization expense	26	36.64	33.50
	Other expenses	27	409.71	298.19
	Total expenses		**2,452.92**	**2,920.43**
V	**(Loss)/profit before exceptional item and tax**		**(276.32)**	**789.70**
	Execeptional items	28.A	225.57	-
VI	**(Loss)/profit before tax**		**(501.89)**	**789.70**
VII	**Tax expense:**			
	Current tax	29	-	268.02
	Income tax adjustment related to earlier years		(7.19)	(2.93)
	Deferred tax (credit)/ charge		(184.46)	17.02
	Total tax expense		**(191.65)**	**282.11**
VIII	**(Loss)/profit for the year (V-VI)**		**(310.24)**	**507.59**
IX	**Other Comprehensive Income**	30		
	- Items that will not be reclassified to profit or loss			
	Re-measurement (gains)/losses on defined benefit plans		1.06	(3.10)
	Income tax effect		(0.37)	1.07
X	**Total Comprehensive Income for the year (VIII + IX)**		**(310.93)**	**509.62**
XI	**Earnings per equity share:**			
	(1) Basic		(8.87)	14.76
	(2) Diluted		(8.87)	14.72
	Summary of significant accounting policies	2.1		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants
Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : May 28, 2019

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
M. No. A15028

S Chand And Company Limited
Cash Flow Statement for the year ended 31 March 2019
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flow from operating activities			
Profit before tax		**(501.89)**	**789.70**
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		36.64	33.50
(Profit)/loss on sale of fixed assets (net)		(0.31)	2.04
Interest income		(131.68)	(195.43)
Interest income on securities mearsured at amortised cost		(1.27)	(6.34)
Provision for diminution in value of investments		50.00	(41.00)
Fair value gain on financial instruments at fair value through profit or loss		(15.00)	(23.57)
Net gain on sale of current investments		(5.39)	-
Provision for doubtful receivables		89.23	12.23
Employee stock option expense		1.64	9.48
Interest expense		98.95	88.64
Operating profit before working capital changes		**(379.08)**	**669.25**
Movement in working capital:			
Decrease/(increase) in inventories		(272.71)	51.09
Decrease/(increase) in trade receivables		972.16	(910.52)
Decrease/(increase) in loans and advances		(37.60)	45.66
(Increase) in other financial assets		(4.59)	(7.61)
Increase in provisions		3.34	0.47
(Decrease)/ Increase in trade payables		(449.99)	355.04
(Decrease)/ Increase in current liabilities		(17.39)	77.75
Cash generated from operations		**(185.86)**	**281.13**
Direct taxes paid (net of refunds)		(38.75)	(230.92)
Cash generated from/(used in) operations	**(A)**	**(224.61)**	**50.21**
B. Cash flows from investing activities			
Purchase of fixed assets including capital advances, capital creditors and capital work-in-progress		(167.85)	(89.12)
(Purchase)/Sale of non-current investments		(608.22)	(695.41)
(Purchase)/Sale of current investments		72.72	(107.17)
Proceeds from sale of current investments		5.39	-
Proceeds from sale of fixed assets		2.37	25.88
Interest received		131.85	194.87
Loans to related parties		32.16	(518.49)
Net cash used in investing activities	**(B)**	**(531.58)**	**(1,189.44)**

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
C. Cash flows from financing activities			
Proceeds from issuance of equity share including securities premium (net of transaction cost)		-	3,318.05
Transaction cost on issue of equity share		-	(207.19)
Dividend paid on equity shares		(52.46)	(43.56)
Tax on equity dividend paid		(10.78)	(8.87)
Interest paid on borrowings		(99.40)	(82.09)
Repayment of long term borrowings		655.34	(1,300.44)
Proceed from borrowings		112.18	(291.22)
Net cash used in financing activities	**(C)**	**604.88**	**1,384.68**
Net increase in cash and cash equivalents	**(A+B+C)**	**(151.31)**	**245.45**
Effects of exchange differences on cash and cash equivalents held in foreign currency			-
Cash and cash equivalents at the beginning of the year		389.30	143.85
Cash and cash equivalents at the end of the year		**237.99**	**389.30**
Components of cash and cash equivalents			
Cash on hand		0.67	0.93
Cheques on hand		171.35	174.22
Balances with banks:			
- on current accounts		65.31	73.39
- deposits with original maturity of less than three months		0.66	140.76
Total cash and cash equivalents (note 5D)		**237.99**	**389.30**

(₹ in millions)

Non-Cash Investing and financing transaction		
Acquisition of property, plant and equipment by means of a finance lease	5.09	12.70

Notes:

1. Reconciliation of liabilities arising from financing activities

Particulars	**As at 31 March 2018**	**Cash flows**	**Non cash changes**	**As at 31 March 2019**
Long term borrwoings (including current maturity)	9.91	655.34	-	665.25
Short term borrwoings	507.62	112.18	-	619.80
	517.53	**767.52**	**-**	**1,285.05**

Summary of significant accounting policies 2.1

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants
Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : May 28, 2019

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
M. No. A15028

S Chand And Company Limited
Statement of Changes in Equity for the year ended March 31, 2019
CIN: L22219DL1970PLC005400

A. Equity share capital:

Issued, subscribed and fully paid up	No. of shares	₹ in millions
As at 31 March 2017	**29,844,496**	**149.22**
Issued during the year - IPO	4,850,746	24.25
Issued during the year - ESOPs	280,045	1.41
As at March 31, 2018	**34,975,287**	**174.88**
Issued during the year	-	-
As at March 31, 2019	**34,975,287**	**174.88**

B. Other equity (₹ in millions)

	Reserve & Surplus				Total
	Retained earnings	Capital reserve	Security premium	ESOP outstandings	
As at 31 March 2017	**1,353.41**	**0.51**	**3,491.73**	**25.10**	**4,870.74**
Profit for the year	507.59	-	-	-	**507.59**
Other comprehensive income for the year	2.03	-	-	-	**2.03**
Total Comprehensive Income for the year	**509.62**	**-**	**-**	**-**	**509.62**
Share based payments	-	-	-	12.22	**12.22**
Issue of share capital	-	-	3,292.39	-	**3,292.39**
Exercise of share options	-	-	29.42	(29.42)	-
Transaction costs	-	-	(207.19)	-	**(207.19)**
Final equity dividend	(43.56)	-	-	-	**(43.56)**
Dividend distribution tax	(8.87)	-	-	-	**(8.87)**
As at March 31, 2018	**1,810.60**	**0.51**	**6,606.35**	**7.90**	**8,425.36**
Profit for the year	(310.24)	-	-	-	**(310.24)**
Other comprehensive income for the year	(0.69)	-	-	-	**(0.69)**
Total Comprehensive Income for the year	**(310.93)**	**-**	**-**	**-**	**(310.93)**
Share based payments	-	-	-	2.10	**2.10**
Final equity dividend	(52.46)	-	-	-	**(52.46)**
Dividend distribution tax	(10.78)	-	-	-	**(10.78)**
As at March 31, 2019	**1,436.44**	**0.51**	**6,606.35**	**10.00**	**8,053.30**
Summary of significant accounting policies	2.1				

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants
Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : May 28, 2019

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
M. No. A15028

1. **Corporate information**

S Chand and Company Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 applicable in India. The Company has become a Public Limited Company w.e.f. 8th September 2016 and consequently the name of the Company has changed from S Chand and Company Private Limited to S Chand and Company Limited. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 7361, Ram Nagar, Qutab Road, New Delhi - 110055. These are unconsolidated financial statements and, accordingly, these Indian Accounting Standard (Ind AS) financial statements incorporate amounts and disclosures related to the Company only.

The Company is principally engaged in publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children Books.

2. **Significant accounting policies**

2.1 Basis of preparation

The unconsolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP).

For all periods up to and including the year ended March 31 2017, the Company prepared its unconsolidated financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounting Standards) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP).

The unconsolidated financial statements have been prepared on a historical cost convention, except for the following assets and liabilities which have been measured at fair value.

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

ii) Equity settled employee share-based payment plan

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

2.2 Current versus non-current classification

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

i. Expected to be realised or intended to sold or consumed in normal operating cycle

ii. Held primarily for the purpose of trading

iii. Expected to be realised within twelve months after the reporting period, or

iv. 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 current when:

i. It is expected to be settled in normal operating cycle

ii. It is held primarily for the purpose of trading

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

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.

2.3 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 Statement of profit or loss.

2.4 Fair value measurement

The Company measures certain financial instruments and equity settled employee share based payment plan 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:

i. in the principal market for the asset or liability, or

ii. 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, unquoted financial assets, and significant liabilities, such as valuation of unquoted investments and equity settled employee share based payment plan. Involvement of external valuers is decided upon annually by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company's management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company's management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions (Refer 2.21)

ii. Quantitative disclosures of fair value measurement hierarchy (Note 39)

iii. Investment in unquoted equity shares (Note 5A and 5B)

iv. Financial instruments (including those carried at amortised cost) (Note 39)

v. Equity Settled employee share based payment plan (Note 36)

2.5 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognised..

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

Sale of goods

Revenue from sale of books is recognised at the point in time when control of the asset is transferred to the customer, i.e. at the time of handing over goods to the carrier for transportation.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of books, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The provision for anticipated returns is made primarily on the basis of historical return rates. The provision for turnover discount, cash discount & additional discount is made on estimated basis based on historical trends.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some of the contracts with customer provide a right to customer of cash rebate/discount if payment is cleared within specified due dates.

- **Rights of return**

  Certain contracts provide a customer with a right to return the goods within a specified period. The provision for anticipated returns is made primarily on the basis of historical return rates as this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

- **Volume rebates**

  The Company provides volume rebates to certain customers once the value of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

- **Cash rebates**

  The Company provides cash rebates to certain customers if customers make the payment within the stipulated time given in the contract. The provision for cash discount is made on estimated basis based on historical trends. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable for all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividends

Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Cross Charges for Shared Services

The company provides various administrative and management services through shared resources to its subsidiary companies to facilitate day to day operations. The company recognises revenue over time, because the subsidiaries receive and consume the service provided by the company over that period.

Ind AS 115 adoption

Ind AS 115 supersedes Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be 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.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and comparative information is not restated in the financial statements. Further there were no adjustments required to the retained earnings at April 1, 2018. The adoption of the standard did not have any material impact on the recognition and measurement of revenue and related items in the financial results.

2.6 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. 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 and associates, 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 and associates , 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.

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.

2.7 Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any. 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, April 01, 2016.

Capital work in progress, plant and equipment are stated at cost, net of accumulated depreciation and 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 statement of profit or loss as incurred.

Depreciation

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 lives of the asset.

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

Category of assets	Useful life as adopted by management	Useful life as per Schedule II
Plant and equipment	15 -25 years	15 years
Office Equipment	5 years	5 years
Furniture & fixture	10 years	10 years
Vehicle	10 years	8 years
Others – Computer	6 years	3 years

Leasehold improvements are amortised over economic useful life or unexpired period of lease whichever is less.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and machinery, vehicles and computers over estimated useful lives which are different from useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

2.8 Intangible assets

Under the previous GAAP (Indian GAAP), intangible assets were carried in the balance sheet at cost, net of accumulated amortization and accumulated impairment losses, if any. The Company has elected to continue with the carrying value for all its item of intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date, viz, April 01, 2016.

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from April 01, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with no adjustments. (Refer Note 4).

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of profit or loss when it is incurred.

Amortisation and useful lives

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

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Research and development costs

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

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

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is as follows:

Intangible assets	Useful lives	Amortization method used	Internally generated or acquired
Computer software	Finite (5 -10 years)	Amortized on straight line basis over the period of useful lives	Acquired
Goodwill on business combination	Indefinite	No amortization	Acquired
Copyrights	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired
Content development	Finite (10 seasons)	Amortized on straight line basis over the period of content	Internally generated

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.10 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.

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.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating Leases are included in Fixed Assets. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

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

2.12 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. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

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

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.13 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset

Subsequent measurement

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

- Financial assets at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'Financial 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 instruments is classified as at the FVTOCI if both of the following criteria are met:

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

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

Equity instruments at FVTOCI

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 Company 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.

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial assets, 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 financial asset, 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').

Financial assets 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 Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's unconsolidated 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:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17.
- Contract assets and trade receivables under Ind-AS 18.
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 17.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company has estimated provision of 4.89% is required to be made on outstanding receivables at the reporting date:

Age bracket	Not Due	0-270 Days	271-365 Days	365-730 Days	More than 730 Days
Credit loss rate	0.07%	0.94%	14.85%	100.00%	100.00%

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. The balance sheet presentation for various financial instruments is described below:

The balance sheet presentation for various financial instruments is described below:-

a) For financial assets measured as at amortised cost and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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.

2.14 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the unconsolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Compensated absences

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

2.15 Share based payments

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

Equity settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.16 Provisions

General

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. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. 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

2.17 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 of the unconsolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.18 Earnings Per Share (EPS)

Basic Earnings per Share is calculated by dividing the 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.

For the purpose of calculating Diluted earnings per share amounts are calculated by dividing the profit or loss attributable to equity shareholders of the company 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 the dilutive potential equity shares into equity shares.

2.19 Cash dividend and non-cash distribution to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss

2.20 All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

2.21 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgement

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of books include cash rebates and volume rebates and a right to return the goods that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

B. Estimates and assumptions

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

Taxes

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

Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

Provision for trade receivable

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance for doubtful debts please refer Note 5c.

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 represent management's best estimate about future developments.

Estimating variable consideration for right of return, volume rebates and cash rebates

Certain contracts for the sale of books include a right of return, volume rebates and cash rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company estimates variable considerations to be included in the transaction price for the sale of electricity with cash rebates.

2.22 Standards issued but not yet effective

a. Ind AS 116

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April, 01, 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 lessees – leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on 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.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

(a) Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

(b) Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

(a) Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

(b) An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The company is under the process of evaluation of available transition options and a reliable estimate of the quantitative impact of Ind AS 116 on the financial statements will only be possible once Company completes its assessment.

b. Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

c. Amendments to Ind AS 12: Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

d. Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to re-measure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to re-measure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

e. Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019.

The company is under the process of evaluation impact on the financial statements of the Company.

f. Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The amendments should be applied retrospectively in accordance with Ind AS 8 for annual reporting periods on or after 1 April 2019.

The company is under the process of evaluation impact on the financial statements of the Company.

g. Annual improvement to Ind AS (2018);

These improvements include:

Amendments to Ind AS 103: Party to a Joint Arrangements obtains control of a business that is a Joint Operation

The amendments clarify that, when an party to a joint arrangement obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Company but may apply to future transactions.

Amendments to Ind AS 111: Joint Arrangements

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not re-measured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. These amendments are currently not applicable to the Company but may apply to future transactions.

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

3. **Property, plant and equipment** (₹ in millions)

	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles*	Leasehold improvement	Computers	Land	Building	Total
As at 31 March 2017	**25.21**	**13.65**	**18.44**	**51.51**	**8.57**	**35.22**	**-**	**-**	**152.60**
Additions	2.15	1.92	0.87	12.70	2.66	1.85	-	-	22.15
Disposals	(13.95)	(0.09)	(0.03)	(4.35)	-	(22.95)	-	-	(41.37)
As at 31 March 2018	**13.41**	**15.48**	**19.28**	**59.86**	**11.23**	**14.12**	**-**	**-**	**133.38**
Additions	**2.13**	**1.16**	**0.10**	**6.33**	**-**	**2.17**	**98.72**	**13.99**	124.60
Disposals	(0.10)	(0.01)	(0.02)	(3.55)	-	(0.21)	-	-	(3.89)
As at 31 March 2019	**15.44**	**16.63**	**19.36**	**62.64**	**11.23**	**16.08**	**98.72**	**13.99**	**254.09**
Accumulated depreciation									
As at 31 March 2017	**3.27**	**5.34**	**4.95**	**12.43**	**1.47**	**13.44**	**-**	**-**	**40.90**
Charge for the year	0.84	2.05	2.00	4.70	2.02	3.04	-	-	14.65
Disposals	(1.11)	(0.05)	(0.01)	(1.43)	-	(10.84)	-	-	(13.44)
As at 31 March 2018	**3.00**	**7.34**	**6.94**	**15.70**	**3.48**	**5.65**	**-**	**-**	**42.11**
Charge for the year	0.87	2.29	1.84	5.65	2.30	2.16	-	-	15.11
Disposals	**(0.05)**	-	**(0.01)**	**(1.36)**	-	**(0.10)**	-	-	(1.52)
As at 31 March 2019	**3.82**	**9.63**	**8.77**	**19.99**	**5.78**	**7.71**	**-**	**-**	**55.70**
Net block									
As at 31 March 2018	**10.41**	**8.14**	**12.34**	**44.16**	**7.75**	**8.47**	**-**	**-**	**91.27**
As at 31 March 2019	**11.62**	**7.00**	**10.59**	**42.65**	**5.45**	**8.37**	**98.72**	**13.99**	**198.39**

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

Particulars	**(₹ in millions)**
Depreciation as per written down value method	30.02
Depreciation as per straight line method	-13.44
Profit for previous year increased by	**43.46**

**The carrying value of vehicles held under finance leases contracts at 31 March 2019 was ₹ 24.20 millions (31 March 2018: ; 21.54 millions). Additions during the year include ₹13.65 millions (31 March 2018: ₹ 10.92 millions) of property, plant and equipment under finance leases contracts. Leased assets are pledged as security for the related finance leases.

4. **Intangible assets** (₹ in millions)

	Trade mark	Goodwill	Computer software	Copy-right	Content development	Total
As at 31 March 2017	**-**	**23.83**	**50.58**	**20.74**	**72.58**	**167.73**
Purchase	-	-	2.29	4.16	34.32	40.77
Disposals	-	-	-	-	-	-
As at 31 March 2018	**-**	**23.83**	**52.87**	**24.90**	**106.90**	**208.50**
Purchase	0.12	-	1.39	-	34.61	36.11
Disposals	-	-	-	-	-	-
As at 31 March 2019	**0.12**	**23.83**	**54.26**	**24.90**	**141.51**	**244.61**
Accumulated depreciation						
As at 31 March 2017	**-**	**-**	**15.76**	**3.61**	**2.66**	**22.02**
Amortization for the year	-	-	7.19	3.82	7.85	18.85
Disposals	-	-	-	-	-	-
As at 31 March 2018	**-**	**-**	**22.95**	**7.43**	**10.51**	**40.87**
Amortization for the year	0.01	-	6.46	4.22	10.84	21.53
Disposals						-
As at 31 March 2019	**0.01**	**-**	**29.41**	**11.65**	**21.35**	**62.40**
Net block						
As at 31 March 2018	**-**	**23.83**	**29.92**	**17.47**	**96.39**	**167.63**
As at 31 March 2019	**0.11**	**23.83**	**24.85**	**13.25**	**120.16**	**182.21**

Impairment testing of goodwill

The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

5. Financial assets **(₹ in millions)**

5A. Non-current investments

	As at 31 March 2019	As at 31 March 2018
Investment in unquoted equity shares, valued at cost		
Investment in subsidiaries		
149 (31 March 2018: 149) shares of ₹ 1,000 each fully paid up in M/s Blackie & Son (Calcutta) Private Limited	62.79	62.29
12,000 (31 March 2018: 12,000) shares of ₹ 10 each fully paid up in M/s Nirja Publishers & Printers Private Limited	17.04	17.04
26,584,168 (31 March 2018: 26,584,168) shares of ₹ 10 each fully paid up in M/s Safari Digital Education Initiatives Private Limited	268.19	267.08
106 (31 March 2018: 106) shares of ₹ 1,000 each fully paid up in M/s Eurasia Publishing House Private Limited	116.05	116.05
39,339 (31 March 2018: 39,339) shares of ₹ 100 each fully paid up in M/s Vikas Publishing House Private Limited	1,512.23	1,507.68
22,336 (31 March 2018: 15,600) shares of ₹ 10 each fully paid up in M/s New Saraswati House (India) Pvt. Ltd.	1,426.84	905.70
17,686,750 (31 March 2018: 17,686,750) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	142.69	142.51
103,102 (31 March 2018: 64,548) shares of ₹ 100 each fully paid up in M/s Chhaya Prakashani Private Limited (*)	1,657.04	1,657.04
3,995,250 (31 March 2018: Nil) shares of ₹ 10 each fully paid up in M/s S Chand Edutech Private Limited	39.95	-
Less : Impairment of investment in DS Digital Private Limited (Refer Note 51)	(50.00)	-
	5,192.82	**4,675.39**
Investment in associate		
50 (31 March 2018: 50) share of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	0.52	0.52
	0.52	**0.52**
Investment in unquoted preference shares		
Investment in subsidiaries		
16,000,000 (31 March 2018: 16,000,000) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	160.00	160.00
	160.00	**160.00**
Investment in unquoted equity shares		
Investment in others		
1,600 (31 March 2018: 1,600) shares of ₹ 37.14 each fully paid up in M/s Essar Gujrat Limited	-	-
4,200 (31 March 2018: 4,200) 6% shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	**-**	**-**

	As at 31 March 2019	As at 31 March 2018
Investment in associate		
5,414 (31 March 2018: 5,264) 0.001% compulsorily convertible cumulative shares of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	21.10	18.13
	21.10	**18.13**
Investment in debentures		
Investment in subsidiaries		
Nil (31 March 2018: 5,200) 10.75% optionally convertible redeemable of ₹ 100,000 each fully paid up in New Saraswati House (India) Pvt. Ltd.	-	520.00
6,916 (31 March 2018: 6916) 2% optionally convertible redeemable of ₹ 100,000 each fully paid up in Eurasia Publishing House Private Limited	700.86	692.92
	700.86	**1,212.92**
Investments at fair value through profit and loss		
Investment in debentures		
Investment in others		
100 (31 March 2018: 100) redeemable non-convertible of ₹ 60 each fully paid up in Motor and General Finance Limited	-	-
	-	**-**
Total	**6,075.30**	**6,066.96**
Aggregate value of unquoted investments	**6,075.30**	**6,066.96**
Aggregate value of impairment in value of investments	**50.07**	**0.07**

Note: Investment in subsidiaries include deemed investments of ₹ 21.56 millions (31 March 2018: ₹ 10.49 millions) due to ESOP granted to employees of subsidiary companies and corporate guarantee given by Holding Company on behalf of subsidiary companies. Investment of Eurasia Publishing House Private Limited includes deemed investment of ₹ 9.27 millions (31 March 2018: ₹ 1.33 millions).

*Investment in Chhaya Prakashani Private Limited includes ₹ Nil (31 March 2018: ₹ 657 millions) millions as deemed investment for 38,554 shares held by minority shareholders.

5B. Current investments **(₹ in millions)**

	As at 31 March 2019	As at 31 March 2018
Investment at fair value through profit and loss		
Investment in equity shares (unquoted)		
15,880 (31 March 2018: 15,880) shares of ₹ 10 each fully paid up in M/s Sistema Shyam Teleservices Limited	-	-
1,000 (31 March 2018: 1,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-	-
	-	**-**
Investment valued at fair value through profit and loss		
Investment in equity instruments (quoted)		
1,000 (31 March 2018: 1,000) shares of ₹ 10 each fully paid up in M/s Freshtop Fruits Limited	0.15	0.14
42,564 (31 March 2018: 42,564) shares of ₹ 10 each fully paid up in M/s Mahaan Foods Limited	0.73	0.56
10,457 (31 March 2018: 10,457) shares of ₹ 1 each fully paid up in M/s Pentamedia Graphics Limited	0.01	0.01
2,000 (31 March 2018: 2,000) shares of ₹ 10 each fully paid up in M/s Vardhman Concrete Limited	-	0.01
100 (31 March 2018: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited	0.04	0.06
100 (31 March 2018: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	0.04	0.06
	0.97	**0.84**

	As at 31 March 2019	As at 31 March 2018
Investment valued at amortised cost model		
Investment in preference shares (unquoted)		
512,500 (31 March 2018: 512,500) redeemable shares of ₹ 10 each fully paid up in M/s Walldorf Integration Solutions Limited (refer note no 47)	14.06	64.06
	14.06	**64.06**
Investment valued at fair value through profit and loss		
Investment in mutual funds (quoted)		
89,039 (31 March 2018: 89,039) units in Principal Monthly Income Plan - Dividend Reinvestment	1.10	1.05
32,387 (31 March 2018: 32,387) units in HDFC Liquid Fund - Regular Plan Growth option	20.26	110.47
	21.36	**111.52**
Total	**36.39**	**176.42**
Aggregate book value of quoted investments	22.33	112.37
Aggregate market value of quoted investments	22.33	112.37
Aggregate value of unquoted investments	14.06	64.06
Aggregate value of impairment in value of investments	-	-

5C. Trade receivables **(₹ in millions)**

	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	1,965.48	3,026.87
Receivable which have significant increase in credit risk	184.14	155.65
Receivable credit impaired	-	-
	2,149.62	**3,182.52**
Less; Allowance for expected credit loss		
Secured, considered good	-	-
Unsecured, considered good	-	-
Receivable which have significant increase in credit risk	(184.14)	(155.65)
Receivable credit impaired	-	-
	(184.14)	**(155.65)**
Secured, considered good	-	-
Unsecured, considered good	1,965.48	3,026.87
Receivable which have significant increase in credit risk	-	-
Receivable credit impaired	-	-
	1,965.48	**3,026.87**
Trade receivables from related parties (Refer note 35)	49.03	45.43
Current	**1,965.48**	**3,026.87**
Non-current	**-**	**-**

The movement in impairment of trade receivables as follow:

	As at 31 March 2019	As at 31 March 2018
Opening balance	155.65	149.90
Additions	89.23	12.23
Write off (net of recovery)	(60.74)	(6.48)
Closing balance	**184.14**	**155.65**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

5D. Cash and cash equivalents (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
-On current accounts	65.31	73.39
-Cheques in hand	171.35	174.22
-Deposits with original maturity of less than three months	0.66	140.76
Cash on hand	0.67	0.93
Total	**237.99**	**389.30**

5E. Other financial assets (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity for more than 3 months but less than 12 months	8.86	7.37
Deposits with original maturity for more than 12 months	2.58	7.13
Interest accrued but not due on fixed deposits (on short term deposits)	0.56	1.54
Interest accrued but not due on fixed deposits (on long term deposits)	2.17	1.35
Interest accrued (refer note no 47)	7.59	-
Restricted cash*	0.09	0.03
Margin money**	0.11	0.11
Total	**21.96**	**17.53**
Current	**17.10**	**8.95**
Non current	**4.86**	**8.58**

*Restricted cash represent earmarked balance for dividend payouts.

**Margin money deposit with a carrying amount of ₹0.11 million (31 March 2018: ₹ 0.11) has been deposited with sales tax department.

5F. Loans (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Security deposits - non current	29.44	20.13
Security deposits - current	0.91	37.79
Loans related parties - non current (refer note 35)	548.42	632.18
Loans related parties - current	93.74	42.14
Total loans	**672.51**	**732.24**

	As at 31 March 2019	As at 31 March 2018
Break-up for security details		
Considered good - Secured	-	-
Considered good - Unsecured	642.16	674.32
Recoverable which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	642.16	**674.32**
Current	**94.66**	**79.93**
Non current	**577.85**	**652.31**

6. **Inventories** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Raw materials (at cost)	92.95	21.90
Finished goods (at lower of cost and net realisable value)	703.01	500.28
Finished goods-traded goods (at lower of cost and net realisable value)	2.75	3.82
Total	**798.71**	**526.00**

7 **Other assets** (₹ in millions)

7A. **Capital advances**

	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good.	-	25.75
Total	**-**	**25.75**

7B. **Other advances** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good.	39.28	41.75
Total	**39.28**	**41.75**

7C. **Prepaid expenses** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Prepaid expenses - current	15.94	18.36
Prepaid expenses - non-current	4.16	7.48
Total	**20.10**	**25.84**

7D. **Balance with statutory authorities** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good	2.93	3.10
Total	**2.93**	**3.10**

7E. Other assets (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Advance income-tax (net of provision for taxation)	95.02	7.68
Ancillary cost of arranging the borrowings -unamortised cost - current	0.86	-
Ancillary cost of arranging the borrowings -unamortised cost - non current	5.04	-
Total	**100.92**	**7.68**
Current	**59.01**	**63.21**
Non current	**104.22**	**40.91**

8 Deferred taxes (₹ in millions)

	As at 31 March 2019	As at 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	7.84	3.11
Provision for doubtful debt & advances	65.59	54.39
Provision for diminution in value of investments	17.47	-
Impact of Business Loss to carry forward in next years	158.60	-
Total deferred tax assets	**249.50**	**57.50**
Items leading to creation of deferred tax liabilities		
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	13.51	6.29
Investment: Impact of fair value gain on current Investment	0.14	0.21
Total deferred tax liabilities	**13.65**	**6.50**
Net deferred tax assets	**235.85**	**51.00**

9. Share capital (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Authorised		
40,000,000 (31 March 2018: 40,000,000) equity shares of ₹ 5/- each (31 March 2018: equity shares of ₹ 5 each)	200.00	200.00
Issued, subscribed and fully paid equity capital		
34,975,287 (31 March 2018: 34,975,287) equity shares of ₹ 5/- each (31 March 2018: equity shares of ₹ 5 each)	174.88	174.88
	174.88	**174.88**

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

Authorised share capital	**No. of shares**	**₹ in millions**
As at 31 March 2017	40,000,000	200.00
Increase/(decrease) during the year	-	-
As at 31 March 2018	**40,000,000**	**200.00**
Increase/(decrease) during the year	-	-
As at 31 March 2019	**40,000,000**	**200.00**

Issued equity capital	No. of shares	₹ in millions
Equity share of ₹ 5/- each issued, subscribed and fully paid (31 March 2018: Equity share of ₹ 5 each)		
As at 31 March 2017	29,844,496	149.22
Issued during the year - IPO	4,850,746	24.26
Issued during the year - ESOPs	280,045	1.40
As at 31 March 2018	**34,975,287**	**174.88**
Issued during the year	-	-
As at 31 March 2019	**34,975,287**	**174.88**

b. **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 5 per share (31 March 2018: ₹ 5 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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

c. **Details of shareholders holding more than 5% shares in the company**

	As at 31 March 2019		As at 31 March 2018	
	No. of shares	**% of holding**	**No. of shares**	**% of holding**
Mr. Himanshu Gupta	5,801,454	16.59%	5,777,454	16.52%
Mr. Dinesh Kumar Jhunjhnuwala	3,795,229	10.85%	3,790,229	10.84%
Mrs. Neerja Jhunjhnuwala	4,008,345	11.46%	3,363,018	9.61%
Everstone Capital Partners II LLC	3,323,229	9.50%	3,323,229	9.50%
International Finance Corporation	2,805,784	8.02%	2,805,784	8.02%
HDFC Trustee Company Ltd. A/C HDFC Balanced Advantage Fund	2,543,978	7.27%	2,543,978	7.27%

d. **Shares reserved for issue under options**

For details of shares reserved for issue under the employee stock options (ESOPs) plan of the company, please refer note 36

10. Other equity

(₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Capital reserve*		
Balance as the beginning of reporting year	0.51	0.51
Add: Increase during the year		-
Balance as the end of reporting year	**0.51**	**0.51**
Securities premium**		
Balance as the beginning of reporting year	6,606.35	3,491.72
Add: increase because of issue of equity share capital	-	3,321.81
Less: decrease due to transaction cost for issued share capital	-	(207.19)
Balance as the end of reporting year	**6,606.35**	**6,606.34**
Employee stock options outstanding		
Balance as the beginning of reporting year	7.90	25.10
Add: compensation option granted during the year- charge for the year	2.10	12.22
Less: transferred to securities premium on exercise of stock options	-	(29.42)
Balance as the end of reporting year	**10.00**	**7.90**
Retained earning		
Balance as the beginning of reporting year	1,810.60	1,353.41
Add/Less: Profit/(Loss) for the year	(310.24)	507.59
Add/Less: Other comprehensive income/ (loss) for the year	(0.69)	2.03
Amount available for appropriation	**1,499.67**	**1,863.03**
Less: Appropriations		
Dividend on equity shares	(52.46)	(43.56)
Tax on equity dividend	(10.78)	(8.87)
Balance as the end of reporting year	**1,436.44**	**1,810.60**

Nature and Purpose of reserve

Capital reserve*

During the financial year 2015-16, the Company cancelled its 149,900 forfeited equity shares pursuant to resolution passed at Board Meeting dated September 22, 2015 and the amount was transferred to Capital Reserve.

Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

11. Distribution made and proposed

(₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Cash dividends on equity shares declared and paid:		
Final dividend on equity shares for the year ended 31 March 2017 : ₹ 1.25 per share	-	43.56
DDT on final dividend	-	8.87
Final dividend on equity shares for the year ended 31 March 2018 : ₹ 1.50 per share	52.46	-
DDT on final dividend	10.78	-
	63.24	**52.43**
Proposed dividends on equity shares:		
Proposed dividend for the year ended on 31 March 2019: Nil (31 March 2018: ₹ 1.50 per share)	-	52.46
DDT on proposed dividend	-	10.78
	-	**63.24**

12A. Non-current borrowings

(₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Term Loans		
Indian rupee loan from financial institutions (secured) (refer note 'a, b, c, d and e' below)	566.67	-
Vehicle loans		
Indian rupee loan from bank (secured) (refer note f and g)	5.48	4.70
Indian rupee loan from financial institutions (secured) (refer note h)	5.28	0.16
Total	**577.43**	**4.86**
Secured	**577.43**	**4.86**
Unsecured	**-**	**-**

Note:-

a. Term loan from Siemens Financial Limited taken during the financial year 2014-15, carries interest @ 13.50% to 13.75%. The loan is repayable in 36 equal monthly instalments beginning from August' 2014 onwards. The instalment amount ranges from ₹ 0.34 millions to of ₹ 0.54 millions. The loan is secured by hypothecation of assets being purchased, currently valued at ₹ 14.46 millions. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2017-18.

b. Term loan from Siemens Financial Limited taken during the financial year 2014-15 carries interest @13.50% . The loan is repayable in 36 equal monthly instalments of ₹ 0.076 millions beginning from April' 2015. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2018-19.

c. Term loan from Indo Star Capital Finance has been taken during the 2014-15 financial year, carries interest @ 12.50% p.a. to 12.95% p.a. linked to Kotak Bank Base Rate + 300 basis points with annual reset. (31 March 2016: 12.85% p.a. to 13.00% p.a.).

The loan is repayable in 18 quarterly instalments beginning from December' 2014 onwards. Till September 2015, instalment amount ranging from ₹ 14.00 millions to ₹ 48.46 millions per quarter. On December 2015, Company had made early repayment of loan facility amounting to ₹ 350 millions, consequent to that repayment schedule has been revised. The remaining loan amount is repayable in 7 quarterly instalment beginning from September 2017 onwards. The instalment amount is ranging from ₹ 3.23 millions to ₹ 48.46 millions per quarter. The loan is secured by (i) First and exclusive charge on optionally convertible redeemable debentures of New Saraswati House (India) Pvt. Ltd. by way of pledge (ii) First and exclusive charge on 98% equity of Vikas Publishing House Private Limited by way of pledge (iii) Second pari passu charge on the entire fixed assets of the Company (iv) Second pari passu charge on all current assets of the Company. Further the loan facility has been secured demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2017-18.

d. "Term loan from Axis Finance Limited has been taken during the year ended 31st March 2017 and carries interest @ 11.25 % p.a. linked to the Axis Bank Base Rate . The facility has been taken for a period of 5 years and is repayable in 14 equal quarterly instalments of ₹ 71,43 millions beginning from May 2017. The facility has been secured against: (i) second pari passu charge on both present and future current and fixed assets of the Company, (ii) pledge on entire stake to be purchased by the Company i.e., 43.54% of Chhaya Prakashani Private Limited, (iii) pledge on 20% equity shares of the Company by the promoters to be replaced by pledge of 74% shares of Chhaya Prakashani Private Limited acquired by Company and Eurasia Publishing House Private Limited (iv) pledge on 100% equity shares of New Saraswati House (India) Private Limited, subsidiary Company (v) pledge on 100% equity shares of Eurasia Publishing House Private Limited, wholly owned subsidiary company (vi) charge over publishing license/ IPRs as well as brand of New Saraswati and (vii) PDCs for the interest and principal amount. The above securities are to be shared pari-passu with respect to both the facilities of Axis Finance Limited in borrower i.e., the Company and its wholly owned subsidiary Company, Eurasia Publishing House Private Limited. Furthermore, on acquisition of balance shares of Chhaya Prakashani Private Limited, the balance shares and the publishing license as well as the brand is to be charges to Axis Finance Limited. Moreover, the sanction letter also contains the mandatory prepayment terms as follows:

- Any change in ownership structure and / or management control of borrower companies i.e., the Company and Eurasia Publishing House Private Limited and security providers i.e., New Saraswati House (India) Pvt. Ltd. and Chhaya Prakashani Private Limited;
- Proceeds from any third party by way of further equity/debt infusion into borrower companies i.e., the Company and Eurasia Publishing House Private Limited;
- Rating downgrade
- Merger events
- Interest reset event, in case borrower is not agreeable with the revised interest rates.

The Company had disclosed this under the Objects Clause of the Prospectus filed with SEBI , hence the Term loan has been disclosed as ""short term" under current maturities of long term borrowings. The Company listed on NSE and BSE on completion of Initial Public Offering ("IPO") on May 9, 2017 . The loan has been repaid during the financial year 2017-18.

e. Term loan from Axis Finance Limited has been taken during the year ended 31st March 2019 and carries interest @ 11.50 % p.a. linked to the Axis Bank Base Rate . The facility has been taken for a period of 7 years and is repayable in 78 equal monthly instalments of ₹ 8.33 millions beginning from August 2019. The facility has been secured against: (i) Pledge of 64% of unlisted shares of Chhaya Prakashani Private Limited. (ii) 2nd charge on both present and future current and fixed moveable assets of SCCL; (iii) PDCs for the interest and principal amount.

f. Vehicle loans have been taken from HDFC Bank, ICICI Bank, Yes Bank and Vijaya Bank and carry interest @ 10.00% to 12.00%. The loan is repayable in 36 to 60 equal monthly instalments ranging from ₹ 0.004 millions to ₹ 0.099 millions. The loan is secured by hypothecation of respective vehicles.

g. Vehicle loans taken during the year from Yes Bank Ltd, carry interest @ 9.38% p.a to 9.80%. The loans are repayable in 60 equal monthly instalments of ₹ 0.008 millions to ₹ 0.04 millions). The loan is secured by hypothecation of respective vehicle.

h. Vehicle loans have been taken from Daimler Financial and carry interest @ 9.81% to 11% p.a. The loan is repayable in 36 equal monthly instalments of ₹ 0.13 millions to ₹ 0.13 millions. The loan is secured by hypothecation of respective vehicle.

Loan covenants

i. The Company is required to comply with certain debt covenants as mentioned in the loan agreement, failure of which makes the loan to be repaid on demand at the discretion of the bank. During FY 18-19, there was one instance of breach of financial covenant in case of term loan facility availed from Axis Finance Limited. As per the terms of the sanction letter, the management has intimated to the bank as per agreement terms.

12B. Current borrowings (₹ in millions)

		As at 31 March 2019	As at 31 March 2018
a.	**Current maturity of loan**		
	Term loans		
	Indian rupee loan from financial institutions (secured) (Refer Note 12A (e)	83.33	0.08
	Vehicle loans		
	Indian rupee loan from bank (secured) (refer Note 12A (f) and (h))	3.41	3.55
	Indian rupee loan from financial institutions (secured) (refer Note 12A (g))	1.07	1.42
	Total current maturity of Indian currency loan	**87.81**	**5.05**
b.	**Cash credit from banks (secured) (refer note f, g, h, I, j and k)**	305.60	257.62
c.	**Indian rupee working capital demand loan from banks (secured) (refer note a, b, c, d and e)**	215.00	250.00
d.	**Indian rupee working capital demand loan from banks (un secured) (refer e)**	99.20	-
	Total current borrowings	**707.61**	**512.67**
	Less: Amount presented under "other financial liabilities"	(87.81)	(5.05)
	Total current borrowings	**619.80**	**507.62**
	Secured	**520.60**	**507.62**
	Unsecured	**99.20**	**-**

Note :-

a. Working capital demand loan from HDFC Bank Limited (under Multiple Banking Arrangement with DBS Bank , IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company upto 9 June 2017 & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This loan carries interest rate ranging from 8.50 % to 8.70 % p.a. (31 March 2018: 8.50 % to 9.50 % p.a.).

b. Working capital demand loan from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 7 November 2017 . This loan carries interest rate ranging from 8.65 % to 8.75% p.a. (31 March 2018: 8.60 % to 11.35% p.a.).

c. Working capital demand loan from Standard Chartered Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Kotak Mahindra Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 4 August 2017 . This loan carries interest rate ranging from 8.60 % to 9.30 % p.a. (31 March 2018: 8.60% to 9.15% p.a.).

d. Working capital demand loan from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company Upto 7 November 2017. This loan carries interest rate ranging from 8.65% to 9.35 % p.a (31 March 2018: 8.45% to 9.25 %).

e. Working capital demand loan from Tata Capital Financial Services Limited was taken during the year. This loan carries interest rate of 10.50% p.a (31 March 2018: Nil). This loan is unsecured.

f. Cash credit from IndusInd Bank Limited (under Multiple Banking Arrangement with DBS Bank, Standard Chartered Bank , HDFC Bank, Kotak Mahindra Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta , Directors of the Company upto 16 May 2018. It carries interest rate ranging from 10.15% p.a. (31 March 2018: 10 % p.a.).

g. Cash credit from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 7 November 2017. This carries interest rate ranging from 11.00% to 11.40% p.a. (31 March 2018: 10.85% to 11.05% p.a.).

h. Cash credit from Standard Chartered Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Kotak Mahindra Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 4 August 2017. This carries interest rate ranging from 10.45% to 11.05%. (31 March 2018: 8.60% to 11.15% p.a.).

i. Cash credit from from Citi Bank (under Multiple Banking Arrangement with DBS Bank , IndusInd Bank, HDFC Bank, Kotak Mahindra Bank and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any), Corporate gurantee of Nirja Publishers and Printers Private Limited. This loan carries interest rate of 9 % p.a. (31 March 2018: Nil).

j. Cash Credit from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company Upto 7 November 2017. This loan carries interest rate ranging from 9.40% to 11.10 % p.a (31 March 2018: Nil %).

k. Cash Credit from HDFC Bank Limited (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company upto 9 June 2017 & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This carries interest rate ranging from 9.50 % to 10.10% p.a. (31 March 2018: 9.50 % to 11.25 % p.a.).

13. Trade payables

(₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Trade payables of micro enterprises and small enterprises (refer note 43)	3.27	6.57
Trade payables of related entities (refer note 35)	167.45	361.39
Trade payables other than micro enterprises and small enterprises	634.95	887.71
	805.67	**1,255.67**

14. Other financial liabilities

(₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Other financial liabilities at amortised cost		
Current maturity of long term loans (refer note 12B)	87.81	5.05
Employee related liabilities	44.79	47.33
Security deposits received	4.12	8.36
Interest accrued but not due	0.80	0.09
Interest accrued and due on security deposits	0.09	1.05
Interest accrued but not due on bill discounted	5.56	5.76
Interest accrued on trade payables to micro and small enterprises	0.04	0.04
Total (A)	**143.21**	**67.68**
Other financial liabilities at fair value through profit and loss		
Financial liability*	100.00	657.00
Total (B)	**100.00**	**657.00**
Financial guarantee obligation	12.31	7.76
Total (C)	**12.31**	**7.76**
Total (A+B+C)	**255.52**	**732.44**
Current	**255.52**	**732.44**
Non current	**-**	**-**

*In current year financial liability represents an amount of ₹ 100 million for BG invoked due to brech of conditions by selling share holders of New Saraswati House (India) Pvt. Ltd. relating to non compete clause. In previous year it represents amount payable to minority shareholders for 38,554 shares of Chhaya Prakashani Private Limited towards purchase of remaining equity shares as per share purchase agreement.

15. **Other liabilities** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Statutory dues payable	68.09	84.33
Rent equalization reserve - current	0.49	-
Rent equalization reserve - non current	6.27	6.04
Advance from customers	21.43	16.48
Total	**96.28**	**106.85**
Current	**90.01**	**100.81**
Non current	**6.27**	**6.04**

16. **Net employee defined benefit liabilities** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Provision for gratuity (refer note 33)	12.19	8.90
Total	**12.19**	**8.90**
Current	**-**	**-**
Non current	**12.19**	**8.90**

17. **Other provisions** (₹ in millions)

	As at 31 March 2019	As at 31 March 2018
Provision for income tax (net of advance tax)	-	133.20
Provision for interim dividend	0.09	0.03
Total other provisions	**0.09**	**133.23**
Current	**0.09**	**133.23**
Non-current	**-**	**-**

18. **Revenue from operations** (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products		
Finished goods	1,968.95	3,425.61
Traded goods	64.93	82.13
Less: Discount	(101.40)	(72.50)
Other operating revenue		
Others	-	0.43
Scrap sale	6.64	4.23
Sale of paper	4.88	-
Total	**1,944.00**	**3,439.90**

	For the year ended 31 March 2019	For the year ended 31 March 2018
India	1,918.43	3,404.96
Outside India	25.57	34.94
Total	**1,944.00**	**3,439.90**

Timing of revenue recognition		
Goods transferred at a point in time	1,944.00	3,439.47
Services transferred over time	-	0.43
Total	**1,944.00**	**3,439.90**

The Company collects Goods and Service Tax (GST) on behalf of the Government and hence, GST is not included in Revenue from operations.

Contract balances (₹ in millions)

	March 31, 2019	March 31, 2018
Trade receivables	1,965.48	3,026.87
Contract assets	-	-
Contract liabilities	21.43	16.48

Trade receivables are non-interest bearing and are generally on terms of 150 days. In March 2019, INR 89.23 million (March 2018: INR 12.23 million) was recognised as provision for expected credit losses on trade receivables.

Right to return asset and refund liability (₹ in millions)

	March 31, 2019	March 31, 2018
Refund liabilities		
Arising from discounts	101.40	72.50
Arising from rights of return	311.10	151.06
	412.50	**223.56**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price (₹ in millions)

	March 31, 2019	March 31, 2018
Revenue as per contracted price	3,248.93	4,422.42
Adjustments		
Sales return	(888.98)	(669.63)
Discount	(415.95)	(312.89)
	1,944.00	**3,439.90**

Performance obligation

Information about the Company's performance obligations are summarised below:

Manufactured goods

The performance obligation is satisfied upon delivery of the goods to the transporter designated by the customer or to the customer whichever is earlier.

The customer has a right to return material to an extent as may be agreed upon with each customer or within the limits as may be determined by the company. The customer is also eligible for discounts based on achievement of revenue targets as may be agreed.

19. Other incomes (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
19.1 Finance income		
Interest income on:		
- Bank deposits	4.64	24.45
- Unwinding of discount on security deposits paid	1.27	6.34
- Income tax refund	-	1.62
- Others	127.04	170.98
Total finance income (A)	**132.95**	**203.39**
19.2 Other income		
Net gain on sale of current investments (net)	5.39	-
Foreign exchange fluctuation gain (net)	1.45	0.20
Fair value gain on financial instruments at fair value through profit or loss	15.00	0.51
Unwinding financial gurantee obligation	2.44	-
Premium on redemption of Investments (refer note 47)	-	23.06
Reversal of temporary diminution in value of investments	-	41.00
Management cross charge (refer note 32)	68.91	-
Others	6.46	2.07
Total other income (B)	**99.65**	**66.84**
Grand Total (A+B)	**232.60**	**270.23**

20. Cost of published goods/material consumed (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventory at the beginning of the year	21.90	6.28
Add: Purchases of published goods	258.47	373.04
Add: Printing charges	277.19	325.05
Add: Purchases of paper	493.20	555.22
Add: Purchases of VRX Sets , CDs and other items	15.91	13.32
	1,066.67	**1,272.91**
Less: Inventory at the end of the year	92.95	21.90
Cost of published goods/material consumed	**973.72**	**1,251.01**
Details of raw material purchased		
Paper	493.20	555.22
Total	**493.20**	**555.22**

21. Purchase of traded goods (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Purchase of traded goods	46.18	16.03
Total	**46.18**	**16.03**

22. **(Increase)/ decrease in inventories of finished goods, work-in-progress** (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventory at the end of the year		
Finished goods	705.76	504.10
Inventory at the beginning of the year		
Finished goods	(504.10)	(570.81)
(Increase)/decrease in inventories	**201.66**	**(66.71)**
Details of inventory at the end of the year		
Finished goods		
Manufactured goods		
Books	703.01	500.28
Traded goods		
Books	2.75	3.82
	705.76	**504.10**

23. **Publication expense** (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Royalty	170.88	330.67
Other publication expenses	33.50	49.70
Total	**204.38**	**380.37**

24. **Selling and distribution expense** (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Advertisement, publicity and exhibition	131.50	63.68
Freight & cartage outward	79.33	85.77
Travelling & conveyance	67.95	54.69
Vehicle running & maintenance	16.87	17.21
Packing & dispatch expenses	9.31	12.22
Total	**304.96**	**233.57**

25. **Employee benefits expense** (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, bonus and allowances	499.65	465.15
Contribution to provident and other funds	31.86	29.40
Gratuity expense (refer note 33)	7.44	9.10
Employee stock option expenses	1.64	9.48
Staff welfare expenses	32.06	30.70
Total	**572.65**	**543.83**

26. Depreciation and amortization expense (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on property, plant and equipment (refer note 3)	15.11	14.65
Amortisation on intangible fixed assets (refer note 4)	21.53	18.85
Total	**36.64**	**33.50**

27. Other expenses (₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Rent	125.07	107.87
Repairs and maintenance		
- Plant and machinery	-	0.02
-Building	0.02	0.01
-Others	22.04	20.90
Insurance	3.55	4.15
Rates and taxes	0.30	0.76
Communication cost	16.80	16.07
Printing and stationery	2.64	2.41
Legal and professional fee	42.15	27.20
Donations	1.43	0.52
Payment to auditor (refer details below)	6.87	5.64
Water and electricity charges	10.52	11.35
Provision for doubtful receivables	89.23	12.23
Provision for advances	3.56	-
Recruitment expenses	1.34	0.76
Outsourced employee cost	58.71	60.13
Loss on sale of fixed assets (net)	-	2.04
Office expenses	1.94	2.78
Security charges	14.68	12.84
Corporate social responsibility expenses (refer note 41)	1.45	1.82
Director sitting fees	1.65	1.72
Miscellaneous expenses	5.76	6.97
Total other expenses	**409.71**	**298.19**

Payment to auditors:

	For the year ended 31 March 2019	For the year ended 31 March 2018
As auditor:		
- Audit fee	3.80	3.50
- Limited review	2.70	1.80
In other capacity		
- Others	0.37	0.34
	6.87	**5.64**

28. Finance cost

(₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense		
- On term loan	11.11	18.03
- On others	87.84	70.61
Bank charges	2.26	2.85
Loan processing fee	5.13	5.73
Total	**106.34**	**97.22**

28A Exceptional Items

(₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Exceptional items		
Sales return (refer note 50)	175.57	-
Provision for impairment on investment (refer note 51)	50.00	-
Total	**225.57**	**-**

29. Income tax

The major components of income tax expense for the years ended 31 March 2019 and 31 March 2018 are:

Profit or loss section

(₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current income tax:		
Current income tax charge	-	268.02
Adjustments in respect of current income tax of previous year	(7.19)	(2.93)
Deferred tax:		
Relating to origination and reversal of temporary differences	(184.46)	17.02
Income tax expense reported in the statement of profit or loss	**(191.65)**	**282.11**

OCI section

Deferred tax related to items recognised in OCI during in the year:

(₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Net loss/(gain) on remeasurements of defined benefit plans	1.06	(3.10)
Income tax charged to OCI	(0.37)	1.07

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit before tax	(501.89)	789.70
At India's statutory income tax rate of 34.944% (31 March 2018: 34.608%)	(175.38)	273.30
Adjustments in respect of current income tax of previous years	(7.19)	(2.93)
Non deductible expenses	(7.34)	16.28
Others	(1.74)	(4.54)
At the effective income tax rate of 38.19% (31 March 2018: 35.72%)	(191.65)	282.11
Income tax expense reported in the statement of profit and loss	(191.65)	282.11

30. Components of Other Comprehensive Income (OCI)

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

Retained earnings **(₹ in millions)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Re-measurement gains/(losses) on defined benefit plans	(1.06)	3.10
Tax impact on re-measurement gains/(losses) on defined benefit plans	0.37	(1.07)
	(0.69)	**2.03**

31. 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

(₹ in millions)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders of the company	(310.24)	507.58
Weighted average number of equity shares used for computing Earning per Share (Basic)	34.98	34.39
Weighted average number of equity shares used for computing Earning per Share (Diluted)	34.89	34.47
Basic EPS	(8.87)	14.76
Diluted EPS	(8.87)	14.72

32. The Company renders various administrative and management services to its subsidiaries companies to facilitate its day to day operations. accordingly, the Company has charged ₹ 68.91 million (31 March 2018 ₹. NIL) towards such services rendered during the year ended march 31, 2019.

33. Gratuity and other post- employment benefits plan

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of ₹ 2 millions. The scheme is funded with an insurance company in the form of qualifying insurance policy.

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

Statement of profit & loss account

Net employee benefit expense recognised in employee cost: **(₹ in millions)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	6.80	6.69
Past service cost	-	1.82
Interest cost on defined obligation	3.19	2.94
Expected return on plan assets	(2.55)	(2.35)
	7.44	**9.10**

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gains) / losses on obligation	1.13	(3.71)
Actuarial gains / (losses) on assets	0.07	(0.61)
	1.06	**(3.10)**

Balance sheet

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening defined benefit obligation	42.00	40.39
Current service cost	6.80	6.69
Past service cost	-	1.81
Interest cost	3.19	2.94
Benefits paid from plan assets	(6.46)	(6.02)
Benefits paid directly by employer	-	(0.10)
Actuarial (gains) / losses on obligation	1.13	(3.71)
Closing defined benefit obligation	**46.66**	**42.00**
Current Portion	**-**	**-**
Non - Current Portion	**46.66**	**42.00**

Changes in the fair value of plan assets are as follows:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening fair value of plan assets	33.10	31.92
Expected return	2.55	2.35
Contributions by employer	5.21	5.46
Benefits paid	(6.46)	(6.02)
Actuarial gain/(loss)	0.07	(0.61)
Closing fair value of plane assets	**34.47**	**33.10**

The Expected contribution to the defined benefit plan in future years ₹ 1.21 millions (31 March 2018: ₹ 1.17 millions)

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Investments with insurer	100%	100%

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.70%	7.70%
Expected rate of return on assets	7.70%	7.70%
Expected rate of salary increase	6.00%	6.00%
Retirement Age (In years)	60 years	60 years
Employee turnover :-		
- For Service upto 5 years	5.00%	5.00%
- For Service more than 5 years	1.00%	1.00%
Mortality Rate	IALM (2006-08)	IALM (2006-08)

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

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The impact of sensitivity analysis due to changes in the significant actuarial assumptions on the defined benefit obligations is given in below table:

	Change in assumptions	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	+ 1%	41.91	37.60
Expected rate of salary increase	+ 1%	52.13	47.05
	- 1%	41.98	37.69

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

34. Leases

Operating lease: company as lessee

The Company has taken premises for office use under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to ₹ 125.07 million (31 March 2018: ₹ 107.87 million). These lease have average life of between one to nine years. There are no restrictions imposed by the lease agreements. There are no sub leases.

The Company has taken vehicle for office use under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to ₹ 0.30 million (31 March 2018: ₹ 1 million). There are no restrictions imposed by the lease agreements. There are no sub leases.

Further minimum rental payable under non-cancellable operating lease are as follows :

(₹ in millions)

	As at March 31, 2019	As at March 31, 2018
Within one year	119.55	105.63
After one year but not more than five years	187.86	182.41
After five years	24.22	35.02
Total	**331.63**	**323.05**

35. Related party disclosure

a. Names of related parties and related party rehlationship
Related parties where control exists

Subsidiary company	: Nirja Publishers & Printers Private Limited
	: Safari Digital Education Initiatives Private Limited
	: Eurasia Publishing House Private Limited
	: Blackie & Son (Calcutta) Private Limited
	: BPI (India) Private Limited
	: Vikas Publishing House Private Limited
	: DS Digital Private Limited
	: New Saraswati House (India) Pvt. Ltd.
	: S Chand Edutech Private Limited
	: Chhaya Prakashani Private Limited
	: Indian Progressive Publishing Co. Private Limited
	: Publishing Services Private Limited

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

Enterprises over which Key Management personnel or their relatives exercise significant influence	: Hotel Tourist (Partnership firm)
	: Raasha Entertainment & Leisure LLP
	: S Chand Hotels Private Limited
	: SC Hotel Tourist Deluxe Private Limited
	: Shaara Hospitalities Private Limited
	: S Chand Properties Private Limited
	: Shyam Lal Charitable Trust
	: RKG Hospitalities Private Limited
Associate	: Edutor Technologies India Private Limited
	: Smartivity Labs Private Limited

Key Management Personnel (KMP) & their relatives

Mrs. Savita Gupta	Non-Executive, Director
Mr. Himanshu Gupta	: Managing Director
Mr. Dinesh Kumar Jhunjhnuwala	: Whole-time Director
Mr. Gaurav Jhunjhnuwala	: Non-Executive, Director
Mr. Desh Raj Dogra	: Chairman, Non-Executive, Independent Director
Mr. Archana Capoor	: Non-Executive, Independent Director
Mr. Sanjay Vijay Bhandarkar	: Non-Executive, Independent Director
Mr. Rajagopalan Chandrashekar	: Non-Executive, Independent Director (w.e.f 23 July 2018)
Mr. Deep Mishra	: Non-Executive, Director (till 02 Nov 2018)
Mr. Sanjay Gujral	: Non-Executive, Director (from 02 Nov 2018 till 05 Mar 2019)
Mr. Saurabh Mittal	: Chief Financial Officer
Mr. Jagdeep Singh	: Company Secretary
Relatives of KMP	: Mr. Ravindra Kumar Gupta
	: Mrs. Neerja Jhunjhnuwala

(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Purchase of books and others					
Nirja Publishers & Printers Private Limited (books)	31 March 2019	215.66	-	-	215.66
	31 March 2018	(116.94)	-	-	(116.94)
Vikas Publishing House Private Limited (books)	31 March 2019	81.97	-	-	81.97
	31 March 2018	(246.37)	-	-	(246.37)
BPI (India) Private Limited (books)	31 March 2019	1.30	-	-	1.30
	31 March 2018	(0.33)	-	-	(0.33)
New Saraswati House (India) Pvt. Ltd. (books)	31 March 2019	-	-	-	-
	31 March 2018	(0.00)	-	-	(0.00)
S Chand Edutech Private Limited	31 March 2019	0.53	-	-	0.53
	31 March 2018	-	-	-	-
Smartivity Labs Private Limited (sets)	31 March 2019	-	-	-	-
	31 March 2018	-	(0.25)	-	(0.25)
Smartivity Labs Private Limited (VRX Sets)	31 March 2019	-	15.59	-	15.59
	31 March 2018	-	(11.29)	-	(11.29)
Printing charges					
Nirja Publishers & Printers Private Limited	31 March 2019	11.14	-	-	11.14
	31 March 2018	(28.29)	-	-	(28.29)
Vikas Publishing House Private Limited	31 March 2019	257.01	-	-	257.01
	31 March 2018	(261.76)	-	-	(261.76)
Royalty expense					
Eurasia Publishing House Private Limited	31 March 2019	9.04	-	-	9.04
	31 March 2018	(23.01)	-	-	(23.01)
Blackie & Son (Calcutta) Private Limited	31 March 2019	1.56	-	-	1.56
	31 March 2018	(2.09)	-	-	(2.09)
Vikas Publishing House Private Limited	31 March 2019	0.36	-	-	0.36
	31 March 2018	-	-	-	-
BPI (India) Private Limited	31 March 2019	0.57	-	-	0.57
	31 March 2018	(0.55)	-	-	(0.55)
Purchase- (Other) from					
SC Hotel Tourist Deluxe Private Limited	31 March 2019	-	0.78	-	0.78
	31 March 2018	-	(1.17)	-	(1.17)
Hotel Tourist	31 March 2019	-	2.90	-	2.90
	31 March 2018	-	(3.39)	-	(3.39)
Vikas Publishing House Private Limited	31 March 2019	0.81	-	-	0.81
	31 March 2018	(0.07)	-	-	(0.07)
S Chand Hotels Private Limited	31 March 2019	-	-	-	-
	31 March 2018	-	(0.13)	-	(0.13)
S Chand Edutech Private Limited	31 March 2019	2.95	-	-	2.95
	31 March 2018	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2019	4.44	-	-	4.44
	31 March 2018	(7.23)	-	-	(7.23)
Purchase of fixed asset and paper					
DS Digital Private Limited (fixed assets)	31 March 2019	-	-	-	-
	31 March 2018	(3.95)	-	-	(3.95)
Vikas Publishing House Private Limited (paper)	31 March 2019	-	-	-	-
	31 March 2018	(12.12)	-	-	(12.12)
Sales of books, fixed assets and paper					
New Saraswati House (India) Pvt. Ltd.	31 March 2019	-	-	-	-

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
	31 March 2018	(0.05)	-	-	(0.05)
DS Digital Private Limited (fixed assets)	31 March 2019	-	-	-	-
	31 March 2018	(10.19)	-	-	(10.19)
Safari Digital Education Initiatives Private Limited (E books)	31 March 2019	3.37	-	-	3.37
	31 March 2018	(2.29)	-	-	(2.29)
Vikas Publishing House Private Limited (papers)	31 March 2019	4.88	-	-	4.88
	31 March 2018	-	-	-	-
Vikas Publishing House Private Limited (fixed assets)	31 March 2019	-	-	-	-
	31 March 2018	(11.91)	-	-	(11.91)
Other expenses paid (reimbursement)		-	-	-	
S Chand Edutech Private Limited	31 March 2019	0.04	-	-	0.04
	31 March 2018	(8.49)	-	-	(8.49)
BPI (India) Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(0.09)	-	-	(0.09)
Vikas Publishing House Private Limited	31 March 2019	2.26	-	-	2.26
	31 March 2018	(0.17)	-	-	(0.17)
Safari Digital Education Initiatives Private Limited	31 March 2019	0.78	-	-	0.78
	31 March 2018	(0.59)	-	-	(0.59)
DS Digital Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(0.09)	-	-	(0.09)
Shyam Lal Charitable Trust	31 March 2019	-	0.01	-	0.01
	31 March 2018	-	-	-	-
New Saraswati House (India) Pvt. Ltd.	31 March 2019	0.38	-	-	0.38
	31 March 2018	(0.66)	-	-	(0.66)
Rentals paid		-	-	-	
Safari Digital Education Initiatives Private Limited	31 March 2019	14.49	-	-	14.49
	31 March 2018	(12.53)	-	-	(12.53)
S Chand Properties Private Limited	31 March 2019	-	34.05	-	34.05
	31 March 2018	-	(29.42)	-	(29.42)
Mrs.Savita Gupta	31 March 2019	-	-	3.52	3.52
	31 March 2018	-	-	(3.25)	(3.25)
Mrs.Neerja Jhunjhnuwala	31 March 2019	-	-	2.69	2.69
	31 March 2018	-	-	(2.51)	(2.51)
Ravindra Kumar Gupta	31 March 2019	-	-	1.40	1.40
	31 March 2018	-	-	(1.21)	(1.21)
Lease rent received from		-	-	-	
Vikas Publishing House Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(0.30)	-	-	(0.30)
DS Digital Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(0.13)	-	-	(0.13)
Cross charges income					
Vikas Publishing House Private Limited	31 March 2019	18.99	-	-	18.99
	31 March 2018	-	-	-	-
New Saraswati House (India) Pvt. Ltd.	31 March 2019	18.45	-	-	18.45
	31 March 2018	-	-	-	-
Safari Digital Education Initiatives Private Limited	31 March 2019	5.21	-	-	5.21
	31 March 2018	-	-	-	-
DS Digital Private Limited	31 March 2019	5.17	-	-	5.17

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
	31 March 2018	-	-	-	-
S Chand Edutech Private Limited	31 March 2019	12.91	-	-	12.91
	31 March 2018	-	-	-	-
Chhaya Prakashani Private Limited	31 March 2019	8.17	-	-	8.17
	31 March 2018	-	-	-	-
Interest income					
Eurasia Publishing House Private Limited	31 March 2019	13.83	-	-	13.83
	31 March 2018	(56.70)	-	-	(56.70)
New Saraswati House (India) Pvt. Ltd.	31 March 2019	30.66	-	-	30.66
	31 March 2018	(64.62)	-	-	(64.62)
Vikas Publishing House Private Limited	31 March 2019	43.86	-	-	43.86
	31 March 2018	(42.79)	-	-	(42.79)
Safari Digital Education Initiatives Private Limited	31 March 2019	13.04	-	-	13.04
	31 March 2018	(3.54)	-	-	(3.54)
DS Digital Private Limited	31 March 2019	7.05	-	-	7.05
	31 March 2018	(1.23)	-	-	(1.23)
S Chand Edutech Private Limited	31 March 2019	2.22	-	-	2.22
	31 March 2018	(0.77)	-	-	(0.77)
Miscellaneous income		-	-	-	
Vikas Publishing House Private Limited	31 March 2019	0.14	-	-	0.14
	31 March 2018	(3.65)	-	-	(3.65)
S Chand Edutech Private Limited	31 March 2019	1.19	-	-	1.19
	31 March 2018	(0.72)	-	-	(0.72)
Loans given					
Eurasia Publishing House Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(520.25)	-	-	(520.25)
Vikas Publishing House Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(466.00)	-	-	(466.00)
New Saraswati House (India) Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	(72.50)	-	-	(72.50)
DS Digital Private Limited	31 March 2019	25.00	-	-	25.00
	31 March 2018	(42.55)	-	-	(42.55)
S Chand Edutech Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(20.00)	-	-	(20.00)
Safari Digital Education Initiatives Private Limited	31 March 2019	66.50	-	-	66.50
	31 March 2018	(83.44)	-	-	(83.44)
Loans repayment received					
Vikas Publishing House Private Limited	31 March 2019	150.00	-	-	150.00
	31 March 2018	(50.00)	-	-	(50.00)
New Saraswati House (India) Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	(47.50)	-	-	(47.50)
Safari Digital Education Initiatives Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(16.00)	-	-	(16.00)
Remuneration to KMP					
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2019	-	-	12.95	12.95
	31 March 2018	-	-	(16.42)	(16.42)
Mr. Himanshu Gupta	31 March 2019	-	-	12.88	12.88
	31 March 2018	-	-	(16.42)	(16.42)
Mr. Desh Raj Dogra	31 March 2019	-	-	0.59	0.59
	31 March 2018	-	-	(0.50)	(0.50)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Mr. Archana Capoor	31 March 2019	-	-	0.56	0.56
	31 March 2018	-	-	(0.53)	(0.53)
Mr. Sanjay Vijay Bhandarkar	31 March 2019	-	-	0.21	0.21
	31 March 2018	-	-	(0.41)	(0.41)
Mr. Rajagopalan Chandrashekar	31 March 2019	-	-	0.12	0.12
	31 March 2018	-	-	-	-
Mr. Sanjay Gujral	31 March 2019	-	-	0.18	0.18
	31 March 2018	-	-	-	-
Mr. Saurabh Mittal	31 March 2019	-	-	12.94	12.94
	31 March 2018	-	-	(12.76)	(12.76)
Mr. Jagdeep Singh	31 March 2019	-	-	7.11	7.11
	31 March 2018	-	-	(5.49)	(5.49)
Investment made during the period					
Eurasia Publishing House Private Limited (Debenture)*	31 March 2019	-	-	-	-
	31 March 2018	(691.60)	-	-	(691.60)
S Chand Edutech Private Limited	31 March 2019	39.95	-	-	39.95
	31 March 2018	-	-	-	-
New Saraswati House (India) Pvt. Ltd.	31 March 2019	520.00	-	-	520.00
	31 March 2018	-	-	-	-
Smartivity Labs Private Limited (Preference shares)	31 March 2019	-	2.96	-	2.96
	31 March 2018	-	(2.50)	-	(2.50)
Balances outstanding as at 31 March 2019					
Security deposit receivable					
Safari Digital Education Initiatives Private Limited	31 March 2019	4.80	-	-	4.80
	31 March 2018	(4.80)	-	-	(4.80)
S Chand Properties Private Limited	31 March 2019	-	12.55	-	12.55
	31 March 2018	-	(12.55)	-	(12.55)
Mrs.Savita Gupta	31 March 2019	-	-	0.54	0.54
	31 March 2018	-	-	(0.54)	(0.54)
Mrs.Neerja Jhunjhnuwala	31 March 2019	-	-	0.12	0.12
	31 March 2018	-	-	(0.12)	(0.12)
Ravindra Kumar Gupta	31 March 2019	-	-	0.41	0.41
	31 March 2018	-	-	(0.41)	(0.41)
Loans and advances					
Vikas Publishing House Private Limited	31 March 2019	266.00	-	-	266.00
	31 March 2018	(454.51)	-	-	(454.51)
Safari Digital Education Initiatives Private Limited	31 March 2019	166.66	-	-	166.66
	31 March 2018	(86.19)	-	-	(86.19)
DS Digital Private Limited	31 March 2019	92.63	-	-	92.63
	31 March 2018	(55.70)	-	-	(55.70)
S Chand Edutech Private Limited	31 March 2019	53.82	-	-	53.82
	31 March 2018	(39.84)	-	-	(39.84)
SC Hotel Tourist Deluxe Private Limited	31 March 2019	-	1.48	-	1.48
	31 March 2018	-	-	-	-
New Saraswati House (India) Pvt. Ltd.	31 March 2019	48.56	-	-	48.56
	31 March 2018	(31.84)	-	-	(31.84)
Raasha Entertainment & Leisure LLP	31 March 2019	-	-	-	-
	31 March 2018	-	(0.22)	-	(0.22)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Shaara Hospitalities Private Limited	31 March 2019	-	0.01	-	0.01
	31 March 2018	-	(0.01)	-	(0.01)
BPI (India) Private Limited	31 March 2019	3.73	-	-	3.73
	31 March 2018	(5.54)	-	-	(5.54)
RKG Hospitalities Private Limited	31 March 2019	-	0.34	-	0.34
	31 March 2018	-	(0.34)	-	(0.34)
Chhaya Prakashani Private Limited	31 March 2019	8.83	-	-	8.83
	31 March 2018	-	-	-	-
Trade payables					
Nirja Publishers & Printers Private Limited	31 March 2019	45.34	-	-	45.34
	31 March 2018	(153.00)	-	-	(153.00)
Vikas Publishing House Private Limited	31 March 2019	116.97	-	-	116.97
	31 March 2018	(198.95)	-	-	(198.95)
Eurasia Publishing House Private Limited	31 March 2019	0.88	-	-	0.88
	31 March 2018	(6.41)	-	-	(6.41)
Blackie & Son (Calcutta) Private Limited	31 March 2019	3.10	-	-	3.10
	31 March 2018	(1.68)	-	-	(1.68)
Smartivity Labs Private Limited	31 March 2019	-	1.07	-	1.07
	31 March 2018	-	(1.27)	-	(1.27)
Hotel Tourist	31 March 2019	-	0.09	-	0.09
	31 March 2018	-	(0.08)	-	(0.08)
Share based payment					
Vikas Publishing House Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(2.02)	-	-	(2.02)
Safari Digital Education Initiatives Private Limited	31 March 2019	-	-	-	-
	31 March 2018	(0.01)	-	-	(0.01)
New Saraswati House (India) Pvt. Ltd.	31 March 2019	-	-	-	-
	31 March 2018	(0.70)	-	-	(0.70)
Directors/KMP remuneration payable					
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2019	-	-	0.42	0.42
	31 March 2018	-	-	(0.28)	(0.28)
Mr. Himanshu Gupta	31 March 2019	-	-	0.44	0.44
	31 March 2018	-	-	(0.38)	(0.38)
Mr. Saurabh Mittal	31 March 2019	-	-	0.54	0.54
	31 March 2018	-	-	(0.60)	(0.60)
Mr. Jagdeep Singh	31 March 2019	-	-	0.44	0.44
	31 March 2018	-	-	(0.30)	(0.30)
Trade receivable					
BPI (India) Private Limited	31 March 2019	15.99	-	-	15.99
	31 March 2018	(15.99)	-	-	(15.99)
New Saraswati House (India) Pvt. Ltd.	31 March 2019	5.83	-	-	5.83
	31 March 2018	(5.83)	-	-	(5.83)
Safari Digital Education Initiatives Private Limited	31 March 2019	8.95	-	-	8.95
	31 March 2018	(5.35)	-	-	(5.35)
DS Digital Private Limited	31 March 2019	18.26	-	-	18.26
	31 March 2018	(18.26)	-	-	(18.26)

(Figures in brackets represents previous year figures.)

* the investment in debentures is on account of conversion of loan given to Eurasia along with the accrued interest.

** The Holding company has given corporate guarantees for the loans taken by the subsidiaries

36. Employee stock option plans

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2019 an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On 30 June 2012, the board of directors approved the Equity Settled ESOP Scheme 2012 (Scheme 2012) for issue of stock options to the eligible employees. According to the Scheme 2012, two types of options are granted by the Company to the eligible employees viz Growth and Thankyou option and will be entitled to 2,194 and 292 options respectively. The options are subject to satisfaction of the prescribed vesting conditions, viz., continuing employment with the company. However in case of growth options, in addition to this the board may also specify the certain corporate, individual or a combination performance parameters subject to which the option would vest. The other relevant terms of the grant are as below:

	Grant I	Grant II	Grant III (a)	Grant III (b)	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Grant V	Grant VI	Grant VII
Date of grant	9-Jul-12	9-Jul-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	30-Sep-15	28-Mar-16	5-Aug-16	16-Aug-16	30-Nov-16
Date of Board approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	27-Aug-15	28-Mar-16	5-Aug-16	5-Aug-16	19-Sep-16 & 30-Nov-16
Date of Shareholder's approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	30-Sep-15	30-Sep-15	30-Sep-15	28-Mar-16	5-Aug-16	5-Aug-16	10-Nov-16
Number of options granted	2,194	292	180	75	441	185	248	40	93,388	51,060	12,506
Method of settlement (Cash/ Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting Period	Year 1- 10% Year 2- 15% Year 3-20% Year 4-25% Year 5-30%	100% Immediate vesting	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 50% Year 2- 50%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 100%	Year 1- 25% Year 2- 25% Year 3- 25% Year 4- 25%	Year 1- 50% Year 2- 50%
Exercise Period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price	9,110	9,110	36,870	36,870	36,870	45,000	45,000	45,000	304	304	392
Fair value of shares at the time of grant	4,139	4,109	10,949	10,949	25,227	20,944	20,594	20,404	112	139	60

Equity shares of ₹ 10 each were subdivided into 2 equity shares of ₹ 5 each as per resolution passed by shareholders at extraordinary general meeting dated 20 April 2016. Further, bonus shares were issued to the shareholders in the ratio of 73:1 as per resolution passed at extraordinary general meeting (EGM) dated 20 April 2016. The effect of share split and bonus issue on exercise price, fair value at the time of grant and weighted average exercise price on options granted till March 31, 2018 is as below:

Exercise Period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price	61.55	61.55	249.12	249.12	249.12	304.05	304.05	304.05	304.00	304.00	392.00
Fair value of shares at the time of grant	27.97	27.77	73.98	73.98	170.45	141.51	139.15	137.87	112.41	138.97	60.40

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

	March 31, 2019		March 31, 2018	
	No. of options	**WAEP (in ₹)****	**No. of options**	**WAEP (in ₹)****
Outstanding at the beginning of the year	-	-	47,656	62
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	47,656	62
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

** denotes weighted average excecise price

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

	March 31, 2019		March 31, 2018	
	No. of options	WAEP (in ₹)**	No. of options	WAEP (in ₹)**
Outstanding at the beginning of the year	-	-	3,108	62
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	3,108	62
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

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

	March 31, 2019		March 31, 2018	
	No. of options	WAEP (in ₹)**	No. of options	WAEP (in ₹)**
Outstanding at the beginning of the year	-	-	26,640	249
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	26,640	249
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
	1			

The weighted average remaining contractual life for option outstanding as at March 31, 2019 is Nil (March 31, 2018: Nil).

The Company had granted 441 option during the financial year ended 31 March 2016. The details of activities under Grant IV(a)are summarized below:

	March 31, 2019		March 31, 2018	
	No. of options	WAEP (in ₹)**	No. of options	WAEP (in ₹)**
Outstanding at the beginning of the year	-	-	65,268	249
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	65,268	249
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The Company had granted 473 option during the financial year ended 31 March 2016. The details of activities under Grant IV(b), IV(c) and IV(d) are summarized below:

	March 31, 2019		March 31, 2018	
	No. of options	**WAEP (in ₹)****	**No. of options**	**WAEP (in ₹)****
Outstanding at the beginning of the year	40,034	304	68,302	304
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	28,268	304
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	40,034	304	40,034	304
Exercisable at the end of the year	40,034	304	12,210	304

The weighted average remaining contractual life for option outstanding as at March 31, 2019 under Grant IV(b) is 2.41 years, under Grant IV(c) is 2.5 years and under Grant IV(d) is 1.52 years .

The Company had granted 93,388 option during the year ended 31 March 2017. The details of activities under Grant V are summarized below:

	March 31, 2019		March 31, 2018	
	No. of options	**WAEP (in ₹)****	**No. of options**	**WAEP (in ₹)****
Outstanding at the beginning of the year	-	-	93,388	304
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	93,388	304
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The Company had granted 51,060 option during the year ended 31 March 2017. The details of activities under Grant VI are summarized below:

	March 31, 2019		March 31, 2018	
	No. of options	**WAEP (in ₹)****	**No. of options**	**WAEP (in ₹)****
Outstanding at the beginning of the year	38,295	304	51,060	304
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	12,765	304
Outstanding at the end of the year	38,295	304	38,295	304
Exercisable at the end of the year	12,765	304	-	-

The weighted average remaining contractual life for option outstanding under Grant VI as at March 31, 2019 is 3.38 years.

The Company had granted 12,506 option during the year ended 31 March 2017. The details of activities under Grant VII are summarized below:

	March 31, 2019		March 31, 2018	
	No. of options	WAEP (in ₹)**	No. of options	WAEP (in ₹)**
Outstanding at the beginning of the year	6,451	392	11,203	392
Granted during the year	-	-	-	-
Forfeited during the year	-	-	1,800	392
Exercised during the year	-	-	2,952	392
Outstanding at the end of the year	6,451	392	6,451	392
Exercisable at the end of the year	6,451	392	1,750	392

The weighted average remaining contractual life for option outstanding under Grant VII as at March 31 2019 is 1.67 years.

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Grant IVa	Grant IVb	Grant IVc	Grant IVd	Grant V	Grant VI	Grant VII
	31 March 2016	31 March 2016	31 March 2016	31 March 2016	31 March 2017	31 March 2017	31 March 2017
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Expected volatility	17.05%	16.46%	16.20%	16.57%	16.43%	16.41%	17.06%
Risk-free interest rate	7.67%	7.71%	7.46%	7.36%	6.73%	6.86%	5.99%
Weighted average fair market price (Rs.)	377	377	377	377	376	376	376
Exercise price (Rs.)	249	304	304	304	304	304	392
Expected life of options granted in years	2.43	3.22	3.20	3.15	2.00	3.50	2.50
Weighted average fair value of option at the time of grant (Rs.)	170.45	141.51	139.15	137.87	112.41	138.97	60.40

Each vest has been considered as a separate grant with weights assigned to each vesting as per the vesting schedule. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected life has been calculated as an average of minimum and maximum life. Since the Company is unlisted, the volatility has been considered to be zero.

37. Financial Instruments:- Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables . The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments in equity shares and government securities, advances to related party, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk:-

a.) Interest rate risk,

b.) currency risk and other price risk, such as equity price risk and

c.) commodity risk.

Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

a. **Interest rate risk.**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
As at 31 March 2019		
INR Borrowings	+0.50%	6.43
	-0.50%	(6.43)
As at 31 March 2018		
INR Borrowings	+0.50%	2.59
	-0.50%	(2.59)

b. **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company does not hedge its foreign currency exposure, however the sensitivity analysis is given as below for the for the currencies, in which Company has foreign exposure:

	Changes in foreign currency rates	Effect on profit before tax
For the year ended 31 March 2019		
USD	+5%	1.35
	-5%	(1.35)
For the year ended 31 March 2018		
USD	+5%	2.28
	-5%	(2.28)

B. **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any significant credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Ageing analysis of trade receivables (net) before adjustment of ECL provision of ₹ 184.14 millions (31 Mar 2018 ₹ 156.13 million) as of the reporting date is as follows:

Age Bracket	Not Due	0-215 Days	216-365 Days	365-730 Days	More than 730 Days	Total
As at 31 March 2018	2,708.52	284.00	53.00	62.00	75.00	**3,182.52**
As at 31 March 2019	1,447.98	148.57	393.32	39.99	119.76	**2,149.62**

C. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. The company's approach to managing liquidity to ensure , as far as possible, that it will have sufficient liquidity to meet its liability when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company closely monitors its liquidity position and deploys a robust cash management system. The Company manages liquidity risk by maintaining adequate reserves, borrowing liabilities, by continuously monitoring forecast and actual cash flows, profile of financial assets and liabilities. It maintain adequate sources of financing including loans from banks at an optimised cost. The table below provides the details regarding contractual maturities of financial liabilities.

(₹ in millions)

	As at 31 March 2019	As at 31 March 2018
On Demand		
- Borrowings	619.80	507.62
	619.80	**507.62**
Less than 1 year		
- Borrowings	87.81	5.05
- Trade payables	805.67	1,255.67
- Other financial liabilities	255.52	732.44
	1,149.00	**1,993.16**
More than 1 year		
- Borrowings	577.43	4.86
	577.43	**4.86**

38. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio less than 30%. The Company measures underlying net debt as total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents. For the purpose of capital management, total capital includes issued equity equity capital, share premium and all other reserves attributable to the equity holders of the Company, as applicable.

Company's adjusted net debt to equity ratio as at 31 March 2019 is as follow: **(₹ in millions)**

Gearing Ratio	As at 31 March 2019	As at 31 March 2018
Borrowings (Note 12A & 12B) (Including current maturities)	1,285.04	517.53
Less: cash and cash equivalents (Note 5D)	(237.99)	(389.30)
Adjusted Net debt (A)	**1,047.05**	**128.23**
Equity	8,228.18	8,600.24
Total equity (B)	**8,228.18**	**8,600.24**
Total equity and net debt [C = (A+B)]	**9,275.23**	**8,728.47**
Gearing Ratio (A/C)	11%	1%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

39. Fair Values

The Carrying values of financial instruments by categories is as under: **(₹ in millions)**

Particulars	31 March 2019			31 March 2018		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Assets						
Non current financial assets						
- Investments	5,374.44	700.86	-	5,374.04	692.92	-
- Loans	577.85	-	-	652.31	-	-
- Other financial assets	4.86	-	-	8.58	-	-
Financial assets						
- Trade receivables	1,965.48	-	-	3,026.87	-	-
- Loans	94.66	-	-	79.93	-	-
- Investments	14.06	36.39	-	64.06	176.43	-
- Other financial assets	17.10	-	-	8.95	-	-
- Cash and cash equivalents	237.99	-	-	389.30	-	-
Non Current Financial liabilities						
- Borrowings	577.43	-	-	4.86	-	-
- Other financial liabilities	6.27	-	-	6.04	-	-
Current Financial liabilities	-	-	-			
- Borrowings	619.80	-	-	507.62	-	-
- Trade payables	-	-	-	-	-	-
- Other financial liabilities	255.52	-	-	75.44	657.00	-

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

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

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

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

iv) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the quoted notes and bonds are based on price quotations at the reporting date.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019: **(₹ in Million)**

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:			
Mutual Funds	21.36	-	-
Liability measured at fair value			
Other financial liabilities	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018: **(₹ in Million)**

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value:			
Mutual Funds	111.51	-	-
Liability measured at fair value			
Other financial liabilities	-	-	657.00

40. The Company has 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 (“DS Digital”), Safari Digital Education Initiatives Private Limited (“Safari Digital”) 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 education business of DS Digital and Safari Digital shall be demerged from respective Companies and will be merged with the Company as part of Composite Scheme. The Company shall file the Composite Scheme with National Company Law Tribunal (NCLT), post approval from BSE and NSE.

41. Corporate Social Responsibility **(₹ in millions)**

	As at 31 March 2019	**As at 31 March 2018**
a) Gross amount required to be spent by the Company during the year	9.87	5.40
b) Amount spent during the year	1.45	1.82

42. Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company’s operations pre-dominantly relate to publishing of books. The Chief Operating Decision Maker (CODM) evaluates the Company’s performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Accordingly, the amounts appearing in the financial statements relate to the Company’s single business segment.

43. Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006 **(₹ in millions)**

	As at 31 March 2019	**As at 31 March 2018**
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	3.27	6.57
- Interest due on above	0.04	0.04
	3.31	**6.61**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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

Raw Materials	Imported		Indigenously obtained	
	Percentage (%)	(Amount in ₹)	Percentage (%)	(Amount in ₹)
As at 31 March 2019	0%	-	100%	973.72
As at 31 March 2018	0%	-	100%	1,251.01

45. Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain loans the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

(₹ in millions)

Name of the loanee	Rate of Interest/ Due Date	Tenure	Secured/ unsecured	31 March 2019	31 March 2018
Safari Digital Education Initiatives Private Limited	10.75%-12% p.a	3 years	Unsecured	159.55	84.56
D S Digital Private Limited	10.75% p.a	3 years	Unsecured	74.98	43.64
New Saraswati House (India) Pvt. Ltd.	10.75%-11.25% p.a	3 years	Unsecured	25.20	28.78
Vikas Publishing House Private Limited	11.25% p.a	3 years	Unsecured	266.00	454.51
S Chand Edutech Private Limited	10.75% p.a	3 years	Unsecured	22.69	20.69

46 Information about major customers

Revenue from no single customer during the year exceeded more than 10% of total revenue. Last year revenue from 1 major customers amounted to ₹ 777.98 million aggregating to 20.68% of total revenue

47 The Company had made an investment in 410 optionally convertible redeemable debentures of ₹ 100,000 each fully paid in Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) during the financial year 2007-08 as per the debenture subscription agreement dated 14 May 2007. The debentures were converted into 512,500 optionally convertible or redeemable preference shares during the financial year 2008-09 as per the debenture conversion agreement dated 03 March 2009. These preference shares were redeemable or convertible at the option of the shareholder as per the debenture conversion agreement. The preference shares were due for redemption or conversion during the financial year 2011-12 and the Company opted for redemption of preference shares which the Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) failed and defaulted in redeeming the preference shares. The Company had filed a case against Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) demanding redemption of the preference shares held by the Company and on March 28, 2018, the Hon'ble Arbitral Tribunal, awarded the case in favour of the Company. The management in consultation with lawyers, has reversed the provision made of ₹ 41 Million and accured premium on redemption of ₹ 23 Million in the current financial year. During the FY 2018-19, Citixyxs approached the company for settlement and paid ₹ 72.50, Accordingly ₹ 8.44 has been realised as other income

48 Capital and other commitment **(₹ in millions)**

		As at 31 March 2019	As at 31 March 2018
a.	Capital commitment (net of advance)	-	74.33
b.	For commitment relating to lease arrangement, please refer note 34		

49 Contingent liabilities **(₹ in millions)**

	As at 31 March 2019	As at 31 March 2018
Corporate guarantee (refer note 'a' below)	1,252.68	1,206.00
Dealer financing (refer note 'e' below)	100.00	-
Stamp duty (refer note 'b' below)	95.01	95.01
Registration fee (refer note 'b' below)	9.15	9.15
Income Tax demand (refer note 'c' & 'd' below)	1.39	1.39

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

b "During the year 2015-16, the Company received notice under Indian Stamp Act, 1899 for non-payment of stamp duty on transfer of property on amalgamation and demerger held in the financial year 2011-12. The district registrar contented that order of Hon'ble High Court for amalgamation and demerger does not grants exemption in respect of payment of stamp duty.

During the year 2017-18, the Company has also received a demand notice from the Sub-Registrar under section 80A of the Registration Act, 1908 wherein the authority has directed the Company to pay additional registration fee of ₹ 9,154,800 (31 March 2018: 9,154,800)

As per the legal opinion obtained, management is of the view that no liability would accrue on the Company on account of such case. Accordingly, no provision has been made in the books of account for the same. "

c In respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter is pending with the Delhi High Court. The amount involved is ₹ 0.67 million (31 March 2018: ₹ 0.67 million).

d In respect of Assessment Year 2015-16 a disallowance under section 36(1)(va) read with section 2(24)(x) of the act, a demand has been raised on account of disallowance of payment made towards employee's contribution to PF after the due date of payment but before the due date of filling return. The matter is pending with CIT (A). The amount involved is ₹ 0.72 million (31 March 2018: ₹ 0.72 million)

e During the year ₹ 100 millions dealer financing facility is availed through Yes Bank.

f There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

50. During the year ended March 31, 2019, the company experienced significant sales return which was more than the management estimates made during year ended March 31, 2018, out of which ₹ 175.57 million was considered exceptional as being other than the ordinary course of business.

51. During the year ended March 31, 2019, diminution in the carrying value of investment in respect of DS Digital Private Limited amounting to ₹ 50 million (represented by Investment in Equity Shares) has been made to recognise a decline in the Risekids (Pre School business), other than temporary in the value of the investment.

52. Unhedged foreign currency exposure

The amount of foreign currency exposure that are not hedged by derivative instrument or otherwise as on 31 March 2019 and 31 March 2018 are as under:

	Foreign currency	**Amount in foreign currency**		**(₹ in millions)**	
		March 31, 2019	**March 31, 2018**	**March 31, 2019***	**March 31, 2018****
Trade Receivables	USD	0.39	0.43	27.08	27.69

*Exchange Rate for 31 March 2019, 1 USD = Rs.69.32

**Exchange Rate for 31 March 2018, 1 USD = Rs.65.05

53. Previous year figures have been regrouped/ reclassed, where necessary, to conform to this years classification.

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

As per our report of even date
For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

Sd/-
per Yogesh Midha
Partner
Membership No.: 94941

Place : New Delhi
Date : May 28, 2019

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
M. No. A15028

UDIN:19509357AAAAFE1884

Limited Review Report

Review report to
The Board of Directors Of
Blackie and Son (Calcutta) Private Limited

Introduction

We have reviewed the accompanying statement of unaudited financial results of **M/s Blackie and Son (Calcutta) Private Limited** for the quarter ended 30th September 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting"("Ind AS 34") prescribed under section 133 of the Companies Act,2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S S A Y & Associates**
Chartered Accountants
Firm Registration No. 012493N

Sd/-
(Arvind Mittal)
Partner
Membership No. 509357

2nd Floor, Plot No. 3,
Local Shopping Complex,
B Block Market, VivekVihar,
Phase-1, New Delhi—110 095

Date: 06/11/2019
Place: New Delhi

Blackie & Son (Calcutta) Pvt. Ltd.
CIN: U74899DL1979PTC014517
Balance sheet as at 30 September 2019

(Amount in ₹)

Particulars	Notes	As at 30 September 2019	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	55,300,023	55,300,023	55,300,023
- Loans	4C	2,000,000	2,000,000	2,000,000
Other non-current assets	5	-	-	-
Deferred tax assets (net)	6	149,566	158,960	203,064
Total non-current assets		**57,449,589**	**57,458,983**	**57,532,896**
Current assets				
Financial assets				
- Investments	4A	130,413	155,697	195,432
- Trade receivables	4B	2,850,129	3,100,129	1,683,411
- Loans	4C	9,581,347	9,199,561	8,555,278
- Cash and cash equivalents	4D	284,907	485,664	1,007,951
Other current assets	5	790,662	766,900	1,479,619
Total current assets		**13,637,458**	**13,707,951**	**12,921,691**
Total assets		**71,087,047**	**71,166,934**	**70,454,587**
Equity and liabilities				
Equity				
Equity share capital	7	149,000	149,000	149,000
Other equity				
- Retained earnings	8	24,861,547	24,657,591	23,616,815
- Other reserves	8	45,702,000	45,702,000	45,702,000
Total equity		**70,712,547**	**70,508,591**	**69,467,815**
Non-current liabilities				
Provisions	10	-	-	-
Other non-current liabilities	11	-	-	-
Total non current liabilities		**-**	**-**	**-**
Current liabilities				
Financial liabilities				
- Trade payables	9	374,500	319,231	212,270
Provisions	10	-	169,440	774,502
Other current liabilities	11	-	169,672	-
Total current liabilities		**374,500**	**658,343**	**986,772**
Total equity and liabilities		**71,087,047**	**71,166,934**	**70,454,587**

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

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

Sd/-	Sd/-
Saurabh Mittal	**Ankita Gupta**
Director	Director
DIN: 01402533	DIN: 00054090

Place : New Delhi
Date : 6th November 2019

Blackie & Son (Calcutta) Pvt. Ltd.
CIN: U74899DL1979PTC014517
Statement of Profit and Loss for the period ended 30 September 2019

(Amount in ₹)

	Particulars	Notes	For six months period ended 30 September 2019	For six months period ended 30 September 2018	For the year ended 31 March 2019
I	Revenue from Operations	12	-	-	1,388,939
II	Other Income	13	426,452	352,134	773,227
III	**Total Income (I+II)**		**426,452**	**352,134**	**2,162,166**
IV	**Expenses**				
	Employee benefits expense	14	-	-	-
	Finance cost	15	2,363	-	301
	Depreciation and amortisation expense	16	-	-	-
	Other expenses	17	141,361	183,674	369,861
	Total expenses		**143,724**	**183,674**	**370,162**
V	**Profit before exceptional items and tax (I-II)**		**282,728**	**168,460**	**1,792,004**
VI	Exceptional item				-
VII	**Profit before tax**		**282,728**	**168,460**	**1,792,004**
VIII	**Tax expense:**				
	Current tax		69,378	42,986	451,852
	Income tax adjustment related to earlier years		-	-	255,272
	Deferred tax (credit)/ charge		9,394	22,961	44,104
	Total tax expenses		**78,772**	**65,947**	**751,228**
IX	**Profit for the period**		**203,956**	**102,513**	**1,040,776**
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) (Comprising Profit and Other Comprehensive Income for the period)**		**203,956**	**102,513**	**1,040,776**
XII	**Earnings per equity share:**	18			
	(1) Basic		1,368.83		6,985.07
	(2) Diluted		1,368.83		6,985.07

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

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

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Ankita Gupta
Director
DIN: 00054090

Place : New Delhi
Date : 6th November 2019

Blackie & Son (Calcutta) Pvt. Ltd
CIN: U74899DL1979PTC014517
Cash flow statement for the period ended 30 September 2019

(Amount in ₹)

	For the period ended 30 September 2019	For the year ended 31 March 2019
Cash flow from operating activities		
Profit before tax	282,728	1,792,004
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation expenses	-	-
(Profit)/loss on sale of fixed assets (net)	-	29,810
Interest income	(424,206)	(771,427)
Fair value (gains)/loss on financial instruments	25,284	39,735
Dividend income	(1,800)	(1,800)
Operating profit before working capital changes	**(117,994)**	**1,088,322**
Movements in working capital :		
(Decrease) / increase in trade payables	55,269	106,961
Decrease in provisions	-	-
(Decrease) / increase in other current liabilities	(169,672)	169,672
Decrease in trade receivables	250,000	(1,416,718)
Increase in other assets	-	-
(Increase) / decrease in loans and advances	(381,786)	(644,283)
Cash generated from operating activities	**(364,183)**	**(696,046)**
Direct taxes paid (net of refunds)	(262,580)	(599,468)
Net cash flow from operating activities (A)	**(626,763)**	**(1,295,514)**
Cash flows from investing activities		
Investment in Subsidiary	-	-
Dividends received	1,800	1,800
Interest received	424,206	771,427
Net cash flow from investing activities (B)	**426,006**	**773,227**
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)	(200,757)	(522,287)
Cash and cash equivalents at the beginning of the period/year	485,664	1,007,951
Cash and cash equivalents at the end of the period/year	**284,907**	**485,664**
Components of cash and cash equivalents		
Cash on hand	1,013	13
Balances with banks		
- on current account	283,894	485,651
Total cash and cash equivalents (note 15)	**284,907**	**485,664**

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

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

Sd/-	Sd/-
Saurabh Mittal	**Ankita Gupta**
Director	Director
DIN: 01402533	DIN: 00054090

Place : New Delhi
Date : 6th November 2019

Blackie & Son (Calcutta) Pvt. Ltd.
CIN: U74899DL1979PTC014517
Statement of changes in equity for the year ended 30 September 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	149,000
Issued during the year	-	-
At 31 March 2018	149	149,000
Issued during the year	-	-
At 31 March 2019	149	149,000
Issued during the year	-	-
At 30 September 2019	149	149,000

B. Other equity (Amount in ₹)

Particulars	Reserve & Surplus			Total
	Retained earnings	General reserve	Security Premium	
As at 1st April 2017	21,945,595	21,600,000	24,102,000	**67,647,595**
Profit for the year	1,671,220	-	-	**1,671,220**
Other comprehensive income for the year	-	-	-	**-**
Total Comprehensive Income for the year	**1,671,220**	**-**	**-**	**1,671,220**
As at 31st March 2018	**23,616,815**	**21,600,000**	**24,102,000**	**69,318,815**
Profit for the year	1,040,776	-	-	**1,040,776**
Other comprehensive income for the year	-	-	-	**-**
Total Comprehensive Income for the year	**1,040,776**	**-**	**-**	**1,040,776**
As at 31st March 2019	**24,657,591**	**21,600,000**	**24,102,000**	**70,359,591**
Profit for the year	203,956	-	-	**203,956**
Other comprehensive income for the year	-	-	-	**-**
Total Comprehensive Income for the year	**203,956**	**-**	**-**	**203,956**
As at 30 September 2019	**24,861,547**	**21,600,000**	**24,102,000**	**70,563,547**

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

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

Sd/-	Sd/-
Saurabh Mittal	**Ankita Gupta**
Director	Director
DIN: 01402533	DIN: 00054090

Place : New Delhi
Date : 6th November 2019

3A. Property, plant and equipment (Amount in ₹)

Particulars	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	-	-
Additions	-	-
Disposals	-	-
As at 30 September 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	-	-
Charge for the year	-	-
Disposals	-	-
As at 30 September 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	-	-
As at 30 September 2019	-	-

3B. Intangible assets (Amount in ₹)

Particulars	License Fee	Total
Cost*		
As at 1 April 2017	474,171	474,171
Additions	-	-
Disposals	-	-
As at 31 March 2018	474,171	474,171
Additions	-	-
Disposals	-	-
As at 31 March 2019	474,171	474,171
Additions	-	-
Disposals	-	-
As at 30 September 2019	474,171	474,171
Accumulated depreciation		
As at 1 April 2017	395,115	395,115
Charge for the year	79,056	79,056
Disposals	-	-
As at 31 March 2018	474,171	474,171
Charge for the year	-	-
Disposals	-	-
As at 31 March 2019	474,171	474,171
Charge for the year	-	-
Disposals	-	-
As at 30 September 2019	474,171	474,171
Net block		
As at 1 April 2017	79,056	79,056
As at 31 March 2018	-	-
As at 31 March 2019	-	-
As at 30 September 2019	-	-

4. **Financial Assets**

4A. **Investments**

(Amount in ₹)

Particulars	**As at 30 September 2019**	**As at 31 March 2019**
a. **Investments at deemed cost**		
i. **Investments in equity shares of subsidiary company (Unquoted)**		
6,88,357 (Previous year 5,73,750) shares of ₹ 10 each fully paid up in M/s BPI India Private Limited	55,300,023	55,300,023
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	273	1,417
400 (Previous year 400) shares of ₹ 10 each fully paid up in M/s EIH Associated Hotel Limited	130,140	154,280
10,000 (Previous year 10,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-	-
Net investments	**55,430,436**	**55,455,720**
Current	**130,413**	**155,697**
Non-Current	**55,300,023**	**55,300,023**

4B. **Trade receivables**

(Amount in ₹)

Particulars	**As at 30 September 2019**	**As at 31 March 2019**
Trade receivables		
Unsecured, considered good	2,850,129	3,100,129
Doubtful		
	2,850,129	**3,100,129**
Other receivables		
Unsecured, considered good		-
Net Trade receivables	**2,850,129**	**3,100,129**
Current	**2,850,129**	**3,100,129**
Non-Current	**-**	**-**

4C. Loans (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Loans and advances to related parties		
Unsecured, considered good	8,381,347	7,999,561
Advances recoverable in cash or kind (refer note (a) below)		
Unsecured, considered good	1,200,000	1,200,000
Other loans		
Unsecured, considered good	2,000,000	2,000,000
Total Loans and Advances	**11,581,347**	**11,199,561**
Current	**9,581,347**	**9,199,561**
Non-Current	**2,000,000**	**2,000,000**

4D. Cash and cash equivalents (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Balances with banks		
- In current accounts	283,894	485,651
Cash in hand	1,013	13
Total Cash and cash equivalents	**284,907**	**485,664**
Current	**284,907**	**485,664**
Non-Current	**-**	**-**

5. Other Assets (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Income Tax Refund	790,662	766,900
Accrued income	-	-
Total Other assets	**790,662**	**766,900**
Current	**790,662**	**766,900**
Non-Current	**-**	**-**

6. Deferred taxes (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
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	149,566	158,960
Others		-
Total deferred tax assets	**149,566**	**158,960**
Items leading to creation of deferred tax liabilities		
Others		-
Total deferred tax liabilities	**-**	**-**
Net deferred tax assets/(liabilities)	**149,566**	**158,960**

7. **Share Capital** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Authorised		
500 (31 March 2019: 500) equity shares of ₹ 1000/- each (31 March 2019: equity shares of ₹ 1000 each)	500,000	500,000
Issued, subscribed and fully paid equity capital		
149 (31 March 2019: 149) equity shares of ₹ 1000/- each (31 March 2019: equity shares of ₹ 1000 each)	149,000	149,000
	149,000	**149,000**

7A. **Issued, subscribed and fully paid equity capital**

Particulars	No. of shares	Amount in ₹
At 1 April 2017	149	149,000
Issued during the year	-	-
At 31 March 2018	149	149,000
Issued during the year	-	-
At 31 March 2019	149	149,000
Issued during the year	-	-
At 30 September 2019	**149**	**149,000**

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.

(Amount in ₹)

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

7D. **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%
As at 30 September 2019	149	100%

8. **Other equity** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Securities Premium Account		
Balance at the beginning of the year	24,102,000	24,102,000
Increase/(decrease) during the year	-	-
Balance at the end of the year	**24,102,000**	**24,102,000**
General Reserve		
Balance at the beginning of the year	21,600,000	21,600,000
Increase/(decrease) during the year	-	-
Balance at the end of the year	**21,600,000**	**21,600,000**
Retained earnings		
Balance at the beginning of the year	24,657,591	23,616,815
Profit/(loss) for the year	203,956	1,040,776
Balance at the end of the year	**24,861,547**	**24,657,591**

9. **Trade payables** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Current		
Trade payables of micro enterprises and small enterprises	-	-
Trade payables of related entities	-	-
Trade payables other than micro enterprises and small enterprises	374,500	319,231
Total Trade payables	**374,500**	**319,231**
Current	**374,500**	**319,231**
Non current	**-**	**-**

10. **Provisions** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Provision for gratuity	-	-
Provision for income tax (net of advance tax)	-	169,440
Total Provisions	**-**	**169,440**
Current	**-**	**169,440**
Non current	**-**	**-**

11. **Other liabilities** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Statutory dues	-	169,672
Total Other liabilities	**-**	**169,672**
Current	**-**	**169,672**
Non current	**-**	**-**

12. **Revenue From Operations** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Sale of services			
Royalty Income	-	-	1,388,939
Total revenue from operations	**-**	**-**	**1,388,939**

13. **Other Incomes**

13.1 **Finance Income** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Interest income			
- on others	424,206	350,334	771,427
Total finance income	**424,206**	**350,334**	**771,427**

13.2 **Other Income** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Dividend Income on non-current investment	1,800	1,800	1,800
Profit on sale of current investment	-	-	
Provision on dimnution of investment written back	-	-	
Miscellaneous Balance w/back	446	-	-
Fair value gains on financial instruments	-	-	-
Total other income	**2,246**	**1,800**	**1,800**

14. **Employee Benefits Expenses** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Salaries, wages and bonus	-	-	-
Total employee benefits expenses	**-**	**-**	**-**

15. **Finance Cost** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Bank charges	2,363	-	301
Total finance cost	**2,363**	**-**	**301**

16. **Depreciation and Amortization Expneses** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Depreciation of property, plant & euipement	-	-	-
Total depreciation and amortization expneses	**-**	**-**	**-**

17. **Other Expenses** **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
Legal and professional fee	38,416	74,621	158,666
Payment to auditor (refer details below)	59,000	47,200	141,600
Fair value loss on financial instruments	25,284	61,851	39,735
Loss on sale of fixed assets (net)	-	-	29,810
Miscellaneous expenses	18,661	2	50
Total other expenses	**141,361**	**183,674**	**369,861**

Payment to auditor **(Amount in ₹)**

Particulars	**For six months period ended 30 September 2019**	**For six months period ended 30 September 2018**	**For the year ended 31 March 2019**
As auditor			
Audit fee	59,000	47,200	141,600
Out of pocket expenses	-	-	-
	59,000	**47,200**	**141,600**

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 **(Amount in ₹)**

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Profit attributable to equity holders of the company	203,956	1,040,776
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	149	149
Basic EPS	1,368.83	6,985.07
Diluted EPS	1,368.83	6,985.07

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 represent 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.
: DS Digital Pvt. Ltd.

Key Management Personnel : Mrs. Neerja Jhunjhnuwala, 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 **(Amount in ₹)**

Nature of Transactions	Period/ Year ended	Holding Company	Fellow subsidiaries	Key Management Personnel	Total
Loans given					
DS Digital Pvt. Ltd.	**30 Sep 2019**	**-**	**-**	**-**	**-**
	30 Sep 2018	**-**	**-**	**-**	**-**
	31 March 2019	-	-	-	-
	31 March 2018	-	16,500,000	-	16,500,000
Loans repayment received					
DS Digital Pvt. Ltd.	**30 Sep 2019**	**-**	**-**	**-**	**-**
	30 Sep 2018	**-**	**-**	**-**	**-**
	31 March 2019	-	-	-	-
	31 March 2018	-	10,000,000	-	10,000,000
Interest income from loan given					
DS Digital Pvt. Ltd.	**30 Sep 2019**	**-**	**424,206**	**-**	**424,206**
	30 Sep 2018	**-**	**350,334**	**-**	**350,334**
	31 March 2019	-	771,427	-	771,427
	31 March 2018	-	894,754	-	894,754
Royalty					
S Chand And Company Limited	**30 Sep 2019**	**-**	-	-	**0**
	30 Sep 2018	**-**	-	-	**0**
	31 March 2019	1,388,939	-	-	1,388,939
	31 March 2018	1,870,457	-	-	1,870,457
Investment In Subsidiary					
BPI (India) Pvt. Ltd.	**30 Sep 2019**	**-**	**-**	**-**	**-**
	30 Sep 2018	**-**	**-**	**-**	**-**
	31 March 2019	-	-	-	-
	31 March 2018	-	10,200,023	-	10,200,023

20.

ii. Outstanding Balance at the year end

Nature of Transactions	Period/year ended	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
Loans and Advances					
DS Digital Pvt. Ltd.	**30 Sep 2019**		**8,381,347**		
	31 March 2019	-	7,999,561	-	7,999,561
	31 March 2018	-	7,305,278	-	7,305,278
Trade Receivable					
S Chand And Company Limited	**30 Sep 2019**	**2,850,129**			
	31 March 2019	3,100,129	-	-	3,100,129
	31 March 2018	1,683,411	-	-	1,683,411
Vikas Publishing House Pvt. Ltd.	**30 Sep 2019**	-	-	-	-
	31 March 2019	-	-	-	-
	31 March 2018	-	-	-	-
Investment In Subsidiary					
BPI (India) Pvt. Ltd.	**30 Sep 2019**	-	**55,300,023**	-	**55,300,023**
	31 March 2019	-	55,300,023	-	55,300,023
	31 March 2018	-	55,300,023	-	55,300,023

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: **(Amount in ₹)**

Particulars	30 Sep 2019			31 March 2019		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Assets						
Non Current Financial assets						
- Investment	-	55,300,023	-	-	55,300,023	-
Current Financial assets						
- Investment	-	130,413	-	-	155,697	-
- Trade receivables	2,850,129	-	-	3,100,129	-	-
- Loans	9,581,347	-	-	9,199,561	-	-
- Cash and cash equivalents	284,907	-	-	485,664	-	-
Current Financial liabilities						
- Trade payables	374,500	-	-	319,231	-	-

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 clasified as fair value through profit & loss (FVTPL). Hence the company has not classified its financial instruments into three levels of fair value measurment 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 dislosures 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.

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

Sd/-	Sd/-
Saurabh Mittal	**Ankita Gupta**
Director	Director
DIN: 01402533	DIN: 00054090

Place : New Delhi
Date : 6th November 2019

Limited Review Report

Review report to
The Board of Directors Of
Nirja Publishers and Printers Private Limited

Introduction

We have reviewed the accompanying statement of unaudited financial results of M**/s Nirja Publishers and Printers Private Limited("the company")**for the quarter ended 30th September 2019("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting"("Ind AS 34") prescribed under section 133 of the Companies Act,2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S S A Y & Associates**
Chartered Accountants
Firm Registration No. 012493N

2nd Floor, Plot No. 3,
Local Shopping Complex,
B Block Market, VivekVihar,
Phase-1, New Delhi—110 095

Sd/-
(Arvind Mittal)
(UDIN : 19509357AAAAFG3674)
Partner
Membership No. 509357

Date: 06/11/2019
Place: New Delhi

Nirja Publishers & Printers Private Limited
Balance Sheet as at 30 September 2019
CIN: U74899DL1971PTC005776

(Amount in ₹)

	Notes	As at 30 September 2019	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	60,724,409	63,890,349
Financial assets			
- Investments	4A	206,722,635	206,758,790
- Loans	4C	366,730,086	350,409,662
- Other financial assets	5	-	-
Deferred tax assets (net)	8	275,879	-
Other non-current assets	7	81,702,595	79,539,135
Total non-current assets		**716,155,604**	**700,597,936**
Current assets			
Inventories	6	7,971,308	9,333,435
Financial assets			
- Investments	4B	36,507,135	-
- Trade receivables	4C	18,279,155	64,157,020
- Loans	4D	1,253,672	986,317
- Cash and cash equivalents	4E	619,559	58,977,051
- Other financial assets	5	70,939	70,939
Other current assets	7	2,298,077	2,959,717
Total current assets		**66,999,845**	**136,484,479**
Total assets		**783,155,449**	**837,082,415**
Equity and liabilities			
Equity			
Equity share capital	9	120,000	120,000
Other equity			
- Retained earnings	10	709,323,176	703,978,305
- Other reserves	10	54,200,000	54,200,000
Total equity		**763,643,176**	**758,298,305**
Non-current liabilities			
Financial liabilities			
Borrowings	11B	2,382,197	4,084,981
Provisions	14	3,115,820	2,715,633
Deferred tax liability (net)	8	-	399,784
Total non current liabilities		**5,498,017**	**7,200,398**
Current liabilities			
Financial liabilities			
- Borrowings	11A	-	-
- Trade payables	12		
Micro & Small enterprise		-	27,187
Other than Micro & Small enterprise		8,254,138	58,532,500
- Other financial liabilities	13	5,105,087	6,773,932
Provisions	14	466,007	3,084,325
Other current liabilities	15	189,024	3,165,768
Total current liabilities		**14,014,256**	**71,583,712**
Total equity and liabilities		**783,155,449**	**837,082,415**

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

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Sd/-
Meenu Aggarwal
Finance Head

Place : New Delhi
Date : 6th November 2019

Nirja Publishers & Printers Private Limited
Statement of Profit and Loss for the period ended 30 Sep 2019
CIN: U74899DL1971PTC005776

(Amount in ₹)

		Notes	For six months period ended 30 Sep 2019	For six months period ended 30 Sep 2018	For the year ended 31 March 2019
I	Revenue from operations	16	7,709,813	62,853,276	226,523,174
II	Other income	17	20,709,834	15,946,277	35,061,209
III	**Total Income (I+II)**		**28,419,647**	**78,799,553**	**261,584,383**
IV	**Expenses**				
	Cost of raw materials and components consumed	18	2,967,895	45,807,386	135,997,694
	(Increase)/decrease in inventories of finished goods and work in progress	20	894,542	1,966,433	(1,234,504)
	Publication expenses	19	1,121,388	9,246,857	19,811,494
	Selling and distribution expenses	21	390,833	1,486,092	4,048,314
	Employee benefits expense	22	8,349,597	9,535,013	17,963,844
	Finance cost	24	377,461	3,960,225	7,836,127
	Depreciation and amortisation expense	23	2,660,623	2,512,452	5,028,886
	Other expenses	25	5,578,961	10,179,747	20,008,015
	Total expenses		**22,341,300**	**84,694,205**	**209,459,870**
V	**Profit before tax (III-IV)**		**6,078,347**	**(5,894,652)**	**52,124,513**
VI	**Tax expense:**	28			
	Current Tax		1,251,337	-	10,608,617
	Mat credit availed		(69,091)	-	(1,149,201)
	Adjustment of tax relating to earlier periods (Net of MAT credit of ₹712,981)		-	-	2,162,368
	Deferred tax charge		(612,541)	(612,931)	710,952
	Total tax expenses		**569,705**	**(612,931)**	**12,332,736**
VII	**Profit for the year (V-VI)**		**5,508,642**	**(5,281,721)**	**39,791,777**
VIII	**Other comprehensive income**				
	- Items not be reclassified to profit or loss in subsequent year	26			
	Re-measurement gains/(losses) on defined benefit plans		(226,893)	226,949	29,541
	Tax impact on re-measurement gains/(losses) on defined benefit plans		63,122	(62,530)	(8,139)
IX	**Total Comprehensive Income for the year (VII + VIII)**		**5,344,871**	**(5,117,302)**	**39,813,179**
X	**Earnings per equity share:**	27			
	(1) Basic		459	(440)	3,316
	(2) Diluted		459	(440)	3,316

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

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Sd/-
Meenu Aggarwal
Finance Head

Place : New Delhi
Date : 6th November 2019

Nirja Publishers & Printers Private Limited
Cash Flow Statement for the year period 30 September 2019
CIN: U74899DL1971PTC005776

(Amount in ₹)

	For the period ended 30 Sep 2019	For the year ended 31 March 2019
Cash flow from operating activities		
Profit before tax	6,078,347	52,124,513
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation & amortisation expenses	2,660,623	5,028,886
Provision for doubtful debts written back	-	(747,250)
Fair valuation (gain)/loss current investment	(1,470,980)	(40,355)
Interest expense	374,828	7,168,901
Interest income	(19,238,171)	(33,184,321)
Dividend income	-	-
Operating profit before working capital changes	**(11,595,353)**	**30,350,374**
Movements in working capital :		
(Decrease)/increase in trade payables	(50,305,549)	(2,908,916)
(Decrease)/increase in provision	209,523	309,800
(Decrease)/increase in other current liabilities	(2,976,744)	2,156,648
(Decrease)/increase in financial liabilities	(1,681,795)	145,729
Decrease/(increase) in trade receivables	45,877,865	104,610,878
Decrease/(increase) in inventories	1,362,127	4,269,332
Decrease/(increase) in loans and advances	472,777	(984,425)
Decrease/(Increase) in non current assets	677,842	2,319,409
Cash generated from operating activities	**(17,959,307)**	**140,268,829**
Direct taxes paid (net of refunds)	(6,016,455)	(8,517,676)
Net cash flow from operating activities (A)	**(23,975,762)**	**131,751,153**
Cash flows from investing activities		
Purchase of non-current investment	(35,000,000)	-
Proceeds from sale of fixed assets	505,317	-
Purchase of fixed assets including work-in-progress and capital advance	-	(2,355,549)
Dividends received	-	-
Investment in fixed deposit having maturity more than 3 months	-	6,775,000
Loan given to related parties	(17,060,556)	(63,031,033)
Interest received	19,238,171	33,249,639
Net cash flow from investing activities (B)	**(32,317,068)**	**(25,361,943)**
Cash flows from financing activities		
(Repayment)/ Proceeds of long-term borrowings (net)	(1,568,224)	(2,712,676)
(Repayment)/ Proceed from short-term borrowings (net)	-	(42,639,207)
Interest paid	(496,438)	(7,126,829)
Net cash used in in financing activities (C)	**(2,064,662)**	**(52,478,712)**
Net increase in cash and cash equivalents (A + B + C)	(58,357,492)	53,910,498
Cash and cash equivalents at the beginning of the year	58,977,051	5,066,553
Cash and cash equivalents at the end of the year	**619,559**	**58,977,051**

	For the period ended 30 Sep 2019	For the year ended 31 March 2019
Components of cash and cash equivalents		
Cash on hand	20,173	20,481
Cheques in hand	-	16,452,304
Balances with banks		
- on current account	599,386	42,504,266
Total cash and cash equivalents (note 4D)	**619,559**	**58,977,051**

Reconciliation of liabilities arising from financing activities

	Long term borrowings (including current maturities)	Short term borrowings
As at 31 March 2019	7,287,324	-
Cash flows	(1,568,224)	-
Non cash changes	**-**	**-**
As at 30 Sep 2019	**5,719,100**	-

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

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Sd/-
Meenu Aggarwal
Finance Head

Place : New Delhi
Date : 6th November 2019

Nirja Publishers & Printers Private Limited
Statement of changes in equity for the year ended 30 Sep 2019
CIN: U74899DL1971PTC005776

A. Equity share capital:

	No. of shares	Amount in ₹
Issued, subscribed and fully paid up (share of ₹ 10 each)		
At 31 March 2019	12,000	120,000
At 30 September 2019	12,000	120,000

B. Other equity (Amount in ₹)

	Reserve & Surplus		Total
	Retained earnings	General reserve	
As at 1 April 2017	631,073,461	54,200,000	**685,273,461**
Profit for the year	32,937,786	-	**32,937,786**
Other comprehensive income for the year	153,879	-	**153,879**
Total Comprehensive Income for the year	**33,091,665**	**-**	**33,091,665**
As at 31 March 2018	**664,165,126**	**54,200,000**	**718,365,126**
As at 1 April 2018	664,165,126	54,200,000	**718,365,126**
Profit for the year	39,791,777	-	**39,791,777**
Other comprehensive income for the year	21,402	-	**21,402**
Total Comprehensive Income for the year	**39,813,179**	**-**	**39,813,179**
As at 31 March 2019	**703,978,305**	**54,200,000**	**758,178,305**
As at 1 April 2019	703,978,305	54,200,000	**758,178,305**
Profit for the year	5,508,642	-	**5,508,642**
Other comprehensive income for the year	(163,771)	-	**(163,771)**
Total Comprehensive Income for the year	**5,344,871**	**-**	**5,344,871**
As at 30 Sep 2019	**709,323,176**	**54,200,000**	**763,523,176**

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

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Sd/-
Meenu Aggarwal
Finance Head

Place : New Delhi
Date : 6th November 2019

3. Property, plant and equipment

(Amount in ₹)

	Plant & equipment	Furniture & Fixtures	Vehicles*	Office equipment	Computer	Leasehold Improvement	Total
Cost							
At 1 April 2017	18,475,051	548,003	-	1,626,056	193,422	1,299,229	22,141,761
Additions	31,161,122		18,400,933	904,045	-	-	50,466,100
Disposals	-	-	-	-	-	-	-
At 31 March 2018	**49,636,173**	**548,003**	**18,400,933**	**2,530,101**	**193,422**	**1,299,229**	**72,607,861**
Additions	2,275,400	-	-	80,149	-	-	2,355,549
Disposals	-	-	-	-	-	-	-
At 31 March 2019	**51,911,573**	**548,003**	**18,400,933**	**2,610,250**	**193,422**	**1,299,229**	**74,963,410**
Additions	-	-	-	-	-	-	-
Disposals	(515,234)	(141,305)	-	-	-	-	(656,539)
At 30 Sep 2019	**51,396,339**	**406,698**	**18,400,933**	**2,610,250**	**193,422**	**1,299,229**	**74,306,871**
Accumulated depreciation							
At 1 April 2017	2,001,621	158,095	-	609,298	46,967	331,022	3,147,003
Charge for the year	1,736,149	54,950	515,652	229,143	23,947	337,331	2,897,172
Disposals	-	-	-	-	-	-	-
At 31 March 2018	**3,737,770**	**213,045**	**515,652**	**838,441**	**70,914**	**668,353**	**6,044,175**
Charge for the year	2,506,218	54,950	1,748,057	358,383	23,947	337,331	5,028,886
Disposals	-	-	-	-	-	-	-
At 31 March 2019	**6,243,988**	**267,995**	**2,263,709**	**1,196,824**	**94,861**	**1,005,684**	**11,073,061**
Charge for the year	1,271,198	25,163	874,029	185,020	11,668	293,545	2,660,623
Disposals	(104,114)	(47,108)	-	-	-	-	(151,222)
As at 30 Sep 2019	**7,411,072**	**246,050**	**3,137,738**	**1,381,844**	**106,529**	**1,299,229**	**13,582,462**
Net block							
As at 31 March 2018	**45,898,403**	**334,958**	**17,885,281**	**1,691,660**	**122,508**	**630,876**	**66,563,686**
As at 31 March 2019	**45,667,585**	**280,008**	**16,137,224**	**1,413,426**	**98,561**	**293,545**	**63,890,349**
As at 30 Sep 2019	**43,985,267**	**160,648**	**15,263,195**	**1,228,406**	**86,893**	**-**	**60,724,409**

*Vehicles under loan contracts at 31 March 2019 was ₹10,239,607 (31 March 2018: ₹11,315,408). Additions during the year include ₹ Nil (31 March 2018: ₹11,324,716) of Vehicles purchased on Loan. Loaned assets are pledged as security for the related loan.

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

Particulars	**(Amount in ₹)**
Depreciation as per written down value method	6,766,075
Depreciation as per straight line method	2,897,172
Profit for previous year increased by	**3,868,903**

4. **Financial assets** (Amount in ₹)

4A. **Non- current investments**

		As at 30 September 2019	As at 31 March 2019
a.	**Trade investments (valued at cost unless stated otherwise)**		
	Investments in equity shares (Unquoted)		
	Investments in subsidiary of holding company		
	17,785,000 (31 March 2019: 17,785,000) equity shares in Safari Digital Education Initiative Private Limited	177,850,000	177,850,000
	801 (31 March 2019: 801) equity shares in Vikas Publishing House Private Limited	28,695,165	28,695,165
		206,545,165	**206,545,165**
b.	**Investments at Fair value through profit and loss**		
i.	**Investments in equity shares (Quoted)**		
	500 (31 March 2019: 500) shares of ₹ 10 each fully paid up in State Bank of India	135,400	160,375
	200 ((31 March 2019: 200) shares of ₹ 10 each fully paid up in Oriental Bank of Commerce	12,070	23,250
		147,470	**183,625**
ii	**Investments in Government and Trust securities (Unquoted)**		
	National Savings Certificates	30,000	30,000
		30,000	**30,000**
	Net investments	**206,722,635**	**206,758,790**
	Aggregate amount of quoted investments	**147,470**	**183,625**
	Aggregate amount of unquoted investments	**206,575,165**	**206,575,165**
	Aggregate amount of impairment in value of investments	-	-

4B. **Current investments**

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Invetstment valued at the fair value through profit and loss		
Investment in mutual funds (quoted)		
2,114,147(31 March 2019: Nil) units in ICICI Prudential Ultra SD Fund	36,507,135	-
Total	**36,507,135**	**-**
Aggregate amount of quoted investments	**36,507,135**	**-**
Aggregate amount of unquoted investments	**-**	**-**
Aggregate amount of impairment in value of investments	**-**	**-**

4C. Trade receivables

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Trade receivables		
Secured, considered good		-
Unsecured, considered good	18,279,155	64,157,020
Receivable which have significant increase in credit risk		-
Receivable credit impaired		-
	18,279,155	**64,157,020**
Less: Allowance for expected credit loss		
Secured, considered good	-	-
Unsecured, considered good	-	-
Receivable which have significant increase in credit risk	-	-
Receivable credit impaired	-	-
	-	**-**
Net trade receivables		
Secured, considered good		-
Unsecured considered good	18,279,155	64,157,020
Receivable which have significant increase in credit risk	-	-
Receivable credit impaired	-	-
	18,279,155	**64,157,020**
Trade receivables from related parties (refer note 31)	**2,844,072**	**63,257,603**

The movement in impairment of trade receivables is as follows:

	As at 30 September 2019	As at 31 March 2019
Opening balance	-	747,250
Additions/ (Reversals)	-	(747,250)
Closing balance	**-**	**-**

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

4D. Loans

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Security deposits - Non- current	436,572	1,176,704
Security deposits - Current	-	53,870
Loan to related parties (refer note 31)	366,293,514	349,232,958
Advances recoverable in cash or kind (refer note (a) below)	1,253,672	932,447
Total	**367,983,758**	**351,395,979**
Current	**1,253,672**	**986,317**
Non-Current	**366,730,086**	**350,409,662**
Note (a)		
Advances recoverable in cash or kind		
Considered good, unsecured	1,253,672	932,447
Considered good, secured	-	-
Recoverable which have significant increase in credit risk	-	-
Recoverable - credit impaired	-	-
	1,253,672	932,447
Less: Allowance for expected credit loss		-
	1,253,672	**932,447**

4E. Cash and cash equivalents

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Balances with banks		
- In current accounts	599,386	42,504,266
Cash in hand	20,173	20,481
Cheques in hand	-	16,452,304
Total	**619,559**	**58,977,051**
Current	**619,559**	**58,977,051**
Non-Current	**-**	**-**

5. Other financial assets

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Margin money deposit (refer note a below)		
-Deposits with original maturity for more than 3 months but less than 12 months	-	-
-Deposits with original maturity for more than 12 months	50,200	50,200
-Interest accrued but not due on fixed deposits (on short term deposits)	-	-
-Interest accrued but not due on fixed deposits (on long term deposits)	20,739	20,739
Total	**70,939**	**70,939**
Current	**70,939**	**70,939**
Non-Current	**-**	**-**

Note (a)

i. Margin money deposits with carrying amount of ₹50,200 (31 March 2018: ₹50,200) is subject to Registration of UK VAT. Interest accrued on margin money deposit is ₹20,739 (31 March 2018: ₹20,739).

ii. Margin money deposits with carrying amount of ₹ Nil (31 March 2018: ₹6,775,000) given to UK board for bidding in printing project, the amount has been refunded in current year due to cancellation of bidding process. Interest accrued on deposit is ₹ Nil (31 March 2018: ₹65,318).

6. Inventories

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Raw materials	-	467,585
Stores and spares	7,971,308	8,844,667
Semi finished goods	-	21,183
Total	**7,971,308**	**9,333,435**
Current	**7,971,308**	**9,333,435**
Non-Current	**-**	**-**

7. Other assets

(Amount in ₹)

7A. Prepaid expenses

	As at 30 September 2019	As at 31 March 2019
Prepaid expenses (Non current)	-	16,202
Prepaid expenses (Current)	232,844	529,130
Total	**232,844**	**545,332**

7B. Other assets

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Advances recoverable in cash or kind	1,229,302	787,903
MAT credit entitlement (Non current)	71,209,783	71,140,692
Income tax recoverable (net of provision for tax)	10,492,812	8,382,241
Balance with statutory / government authorities	835,931	1,642,684
Total	**83,767,828**	**81,953,520**
Current	**2,298,077**	**2,959,717**
Non-Current	**81,702,595**	**79,539,135**

8. Deferred taxes

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Items leading to creation of deferred tax assets		
Impact of expenditure charged to the statement of profit and loss account in the current year but allowed for tax purposes on payment basis in subsequent years		1,829,892
Others		(46,355)
Total deferred tax assets	**-**	**1,783,537**
Items leading to creation of deferred tax liabilities		
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	(275,879)	2,183,321
Total deferred tax liabilities	**(275,879)**	**2,183,321**
Net deferred tax assets	**275,879**	**(399,784)**

9. **Share Capital**

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Authorised		
100,000 (31 March 2019: 100,000) equity shares of Rs 10/- each	1,000,000	1,000,000
Issued, subscribed and fully paid up		
12,000 (31 March 2019: 12,000) equity shares of Rs 10/- each	120,000	120,000
	120,000	**120,000**

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

	Numbers	(Amount in ₹)
Issued, subscribed and fully paid up		
As at 1 April 2017	**12,000**	**120,000**
Issued during the year	-	-
As at 31 March 2018	**12,000**	**120,000**
Issued during the year	-	-
As at 31 March 2019	**12,000**	**120,000**
Issued during the year	-	-
As at 30 Sep 2019	**12,000**	**120,000**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company and their subsidiaries

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
S Chand And Company Limited (formerly S Chand And Company Private Limited)	120,000	120,000

600 (31 March 2018: 600) shares held in the name of Mr. Dinesh Kumar Jhunjhnuwala as nominee or beneficial interest of S Chand And Company Limited (Formerly S Chand And Company Private Limited)

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

	No. of shares held	% of holding
S Chand and Company Limited, the Holding Company (formerly S Chand And Company Private Limited)		
As at 31 March 2019	12,000	100%
As at 30 Sep 2019	12,000	100%

As per records of the Company, including its register of shareholder/ member and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

10. Other equity

	As at 30 September 2019	As at 31 March 2019
		(Amount in ₹)
Retained earning		
Balance as per last financial statements	703,978,305	664,165,126
Add: Profit for the year	5,508,642	39,791,777
Add: Other comprehensive income for the year	(163,771)	21,402
Balance as the end of reporting year	**709,323,176**	**703,978,305**
General reserve		
Balance as per last financial statements	54,200,000	54,200,000
Increase/(decrease) during the year	-	-
Balance as the end of reporting year	**54,200,000**	**54,200,000**

Nature and purpose of reservers

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

11. Borrowings

11A. Current borrowings **(Amount in ₹)**

	As at 30 September 2019	As at 31 March 2019
Vehicle loans		
Indian rupee loan from bank (secured) (refer note 'b' below)	3,336,903	3,202,343
Cash credit		
Indian rupee loan from State Bank of India (secured) (refer note 'a' below)	-	-
Bank overdraft	-	-
Total	**3,336,903**	**3,202,343**
Less: Amount presented under "other financial liabilities"	3,336,903	3,202,343
Total	**-**	**-**
Secured	**-**	**-**
Unsecured	**-**	**-**

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

b. Vehicle Loan from HDFC Bank taken during FY 2017-18 and carries interest rate @ 8.26% p.a. The loan is repayable in 37 monthly installments of ₹ 307,072. The loan is secured by hypothecation of the respective vehicles.

11B. Non-current borrowings

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Vehicle loans		
Indian rupee loan from bank (secured) (refer note 'b' above)	2,382,197	4,084,981
Total	**2,382,197**	**4,084,981**
Secured	**2,382,197**	**4,084,981**
Unsecured	**-**	-

12. Trade payables

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Current		
Trade payables of micro enterprises and small enterprises (refer note 33)	-	27,187
Trade payables of related entities (refer note 31)	5,160,236	19,636,852
Trade payables other than micro enterprises and small enterprises	3,093,902	38,895,648
Total Trade payables	**8,254,138**	**58,559,687**
Current	**8,254,138**	**58,559,687**
Non current	**-**	**-**

13. Other financial liabilities

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Security deposit payable	-	-
Current maturity of long term loans (refer note 11A)	3,336,903	3,202,343
Employee related liabilities	1,768,184	2,851,831
Advance from customers	-	677,686
Interest accrued on trade payables to micro and small enterprises	79,538	-
Interest accrued but not due	(79,538)	42,072
Total	**5,105,087**	**6,773,932**
Current	**5,105,087**	**6,773,932**
Non current	**-**	**-**

14. Provisions

(Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Provision for gratuity (Non current)	3,115,820	2,715,633
Provision for gratuity (Current)	391,144	389,915
Provision for leave encashment	74,863	39,863
Provision for income tax (net of advance tax)	-	2,654,547
Total	**3,581,827**	**5,799,958**
Current	**466,007**	**3,084,325**
Non current	**3,115,820**	**2,715,633**

15. **Other liabilities** (Amount in ₹)

	As at 30 September 2019	As at 31 March 2019
Other payables:		
Statutory dues		
Provident Fund and Employee State Insurance	170,009	213,540
Goods and Services Tax Payable	-	2,573,552
Tax Deducted at Source	19,015	378,676
Total	**189,024**	**3,165,768**
Current	**189,024**	**3,165,768**
Non current	**-**	**-**

16. **Revenue from operations** **(Amount in ₹)**

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Sale of manufactured products			
Finished books	1,744,269	59,156,377	200,387,221
Sale of services			
Job work	4,083,626	3,139,546	23,623,590
Other operating revenue			
Scrap sales	1,510,359	557,353	2,512,363
Lease rent	371,559	-	-
Total revenue from operations	**7,709,813**	**62,853,276**	**226,523,174**

Disaggregated revenue information (Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
India	7,709,813	62,853,276	226,523,174
Outside India	-	-	-
Total revenue from contracts with customers	**7,709,813**	**62,853,276**	**226,523,174**
Timing of revenue recognition			
Goods transferred at a point in time	3,254,628	59,713,730	202,899,584
Services transferred over time	4,083,626	3,139,546	23,623,590
Total revenue from contracts with customers	**7,338,254**	**62,853,276**	**226,523,174**

The Company collects Goods and Service Tax (GST) on behalf of the Government and hence, GST is not included in Revenue from operations.

Contract balances (Amount in ₹)

	As at 30 Sepember 2019	As at 31 March 2019
Trade receivables	18,279,155	64,157,020
Contract assets	-	-
Contract liabilities	-	-

Trade receivables are non-interest bearing and are generally on terms of 180 days. Provision for expected credit losses is not created for intercompany trade receivables.

Right to return asset and refund liability (Amount in ₹)

	As at 30 Sepember 2019	As at 31 March 2019
Refund liabilities		
Arising from discounts	-	-
Arising from rights of return	-	-
	-	**-**

Reconciling the amount of revenue recognised in the statement of Profit and Loss with the contracted price

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Revenue as per contracted price	7,709,813	62,853,276	226,523,174
Adjustments			
Sales return	-	-	-
Discount	-	-	-
	7,709,813	**62,853,276**	**226,523,174**

Performance obligation

Information about the Company's performance obligations are summarised below:

Manufactured goods

The performance obligation is satisfied upon dispatch of the goods from company's warehouse.

The customer has a right to return the material to an extent as may be agreed upon with each customer or within the limits as may be determined by the company. However, since all such sales were made to intercompany customers, no instances of sales return were observed during the year.

Services

The performance obligation is satisfied over-time and payment is generally due upon completion of jobwork services and dispatch of goods from the warehouse.

17. **Other income** (Amount in ₹)

a. **Finance income**

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Interest income on			
Bank deposits	-	31,716	31,716
Others	19,238,171	15,869,483	33,065,099
Income tax refund	-	-	-
Unwinding of discount on security deposit paid	-	43,298	87,506
	19,238,171	**15,944,497**	**33,184,321**

b. **Other income** (Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Dividend income on non-current investments	-	-	-
Fair value gain/(loss) on financial instrument at fair value through profit and loss	1,470,980	1,780	40,355
Profit on sale of property, plant and equipment (net)	683	-	-
Provision for doubtful debts written back	-	-	747,250
Miscellaneous income	-	-	1,089,283
	1,471,663	**1,780**	**1,876,888**
Total other income (a+b)	**20,709,834**	**15,946,277**	**35,061,209**

18. **Cost of raw materials and components consumed** (Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Raw materials consumed			
Inventory at the beginning of the year	467,585	5,971,421	5,971,421
Add : purchases during the year	2,500,310	70,634,269	130,493,858
	2,967,895	**76,605,690**	**136,465,279**
Less: inventory at the end of the year	-	30,798,304	467,585
Cost of raw materials and components consumed	**2,967,895**	**45,807,386**	**135,997,694**

Details of raw material and components purchased (Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Raw material (paper)	721,810	64,988,067	109,205,753
Glue (hot melt)	-	2,231,235	5,664,125
PS Plates	1,778,500	362,110	8,039,546
Ink	-	1,153,605	2,588,649
Chemicals	-	633,653	1,560,600
Packing Material	-	1,265,599	3,435,185
	2,500,310	**70,634,269**	**130,493,858**

Details of closing inventory			
Raw materials			
Paper	-	30,798,304	467,585
	-	**30,798,304**	**467,585**

19. Publication expenses

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Royalty	-	144,246	17,999
Printing charges	80,259	4,760,960	12,007,486
Power and fuel	529,879	865,638	2,233,062
Repairs and maintenance - machinery	91,069	413,841	722,654
Consumption of stores and spares	420,181	3,062,172	4,830,293
	1,121,388	**9,246,857**	**19,811,494**

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

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Inventories at the end of the year			
Semi finished goods (refer note 6)	-	21,183	21,183
Stores and spares (refer note 6)	7,971,308	5,643,730	8,844,667
	7,971,308	**5,664,913**	**8,865,850**
Inventories at the beginning of the year			
Semi finished goods*	21,183	3,584,804	3,584,804
Stores and spares	8,844,667	4,046,542	4,046,542
	8,865,850	**7,631,346**	**7,631,346**
(Increase)/ decrease in inventories	**894,542**	**1,966,433**	**(1,234,504)**

*During the current year, company has written off semi-finished goods of ₹3,563,621.

21. Selling and distribution expenses

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Freight and cartage expenses	390,833	1,486,092	4,048,314
Business promotion expenses	-	-	-
	390,833	**1,486,092**	**4,048,314**

22. Employee benefits expense

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Salaries, wages and bonus	7,251,780	8,443,706	15,688,785
Contribution to provident and other funds	583,900	617,924	1,231,102
Gratuity expense (refer note 29)	273,107	319,967	639,934
Staff welfare expenses	240,810	153,416	404,023
	8,349,597	**9,535,013**	**17,963,844**

23. Depreciation and amortization expense

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Depreciation of property, plant and equipment	2,660,623	2,512,452	5,028,886
Amortization of intangible assets		-	-
	2,660,623	**2,512,452**	**5,028,886**

24. Finance cost

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Interest - others	374,828	3,493,510	7,168,901
Interest on income tax	-	-	160,805
Bank charges	2,633	209,109	266,815
Loan processing fee	-	257,606	239,606
	377,461	**3,960,225**	**7,836,127**

25. Other expenses

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Outsource services	2,040,803	5,047,669	10,680,163
Rent	1,119,973	1,452,331	3,026,607
Repairs and maintenance - building	882,737	791,714	1,598,512
Insurance	293,679	173,299	406,474
Travelling and conveyance	196,390	154,403	473,832
Communication cost	43,533	55,823	163,263
Security charges	262,284	551,207	1,064,013
Printing and stationery	8,235	23,398	57,285
Legal and professional fee	70,365	448,181	1,098,224
Corporate social responsibility (refer note 38)	-	-	-
Provision for doubtful receivables	-	634,836	-
Payment to auditors (refer details below)	428,683	712,332	1,263,636
Unwinding of discount on security deposit paid	214,633	-	0
Miscellaneous expenses	17,646	134,554	176,006
	5,578,961	**10,179,747**	**20,008,015**

Payment to auditor

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
As auditor:			
a) Audit fees	100,000	350,000	700,000
b) Limited review fees	250,000	300,000	450,000
c) Others	78,683	62,332	113,636
	428,683	**712,332**	**1,263,636**

26. Components of Other Comprehensive Income (OCI)

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

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Re-measurment gains/(losses) on defined benefit plans	(226,893)	226,949	29,541
Tax impact on re-measurement gains/ (losses) on defined benefit plans	63,122	(62,530)	(8,139)
	(163,771)	**164,419**	**21,402**

27. **Earning per share (EPS)**

Earnings per share

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

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

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

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Profit attributable to equity holders of the company	5,508,642	(5,281,721)	39,791,777
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	12,000	12,000	12,000
Basic EPS (absolute value in ₹)	459	(440)	3,316
Diluted EPS (absolute value in ₹)	459	(440)	3,316

28a. **Income taxes**

(Amount in ₹)

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Income tax charged to statement of profit and loss			
Current income tax charge	1,251,337	-	10,608,617
MAT credit availed	(69,091)	-	(1,149,201)
Income tax adjustment related to earlier year	-	-	2,162,368
Deferred tax charge	(612,541)	(612,931)	710,952
	569,705	**(612,931)**	**12,332,736**
Income tax charged to other comprehensive income			
Expenses (benefit) on re-measurement gain/(loss) on defined benefit plans	(63,122)	62,530	8,139
	(63,122)	**62,530**	**8,139**

28b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

	For the period ended 30 September 2019	For the period ended 30 September 2018	For the year ended 31 March 2019
Accounting profit before tax	6,078,347	(5,894,652)	52,124,513
Accounting profit before income tax	**6,078,347**	**(5,894,652)**	**52,124,513**
At India's statutory income tax rate of 27.82% (31 March 2018: 27.55%)			14,501,040
Exempt income under section 80IC			(4,053,899)
Non-deductible expenses for tax purposes:			
Income tax adjustment related to earlier year			2,162,368
Other non-deductible expenses			(276,773)
At the effective income tax rate of 23.66% (31 March 2018: 20.17%)	**-**	**-**	**12,332,736**
Income tax expense reported in the Statement of Profit and Loss			12,332,736

29. **Gratuity and other post- employment benefits plan**

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of ₹2,000,000.

Statement of Profit & Loss account

Net employee benefit expense recognised in employee cost: **(Amount in ₹)**

	For the period ended 30 Sep 2019	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	102,434	425,085	270,218
Past service cost	-	-	434,818
Interest cost on defined obligation	55,665	214,849	166,362
	158,099	**639,934**	**871,398**

Amount recognised in Other Comprehensive Income: (Amount in ₹)

	For the period ended 30 Sep 2019	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gains) / losses on obligation	226,893	(29,541)	(212,401)
	226,893	**(29,541)**	**(212,401)**

Balance sheet

Changes in the present value of the defined benefit obligation are as follows: (Amount in ₹)

	For the period ended 30 Sep 2019	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening defined benefit obligation	3,105,548	2,814,551	2,299,146
Current service cost	102,434	425,085	270,218
Past service cost	-	-	434,818
Interest cost	55,665	214,849	166,362
Benefits paid	(34,355)	(319,396)	(143,592)
Actuarial (gains) / losses on obligation	226,893	(29,541)	(212,401)
Closing defined benefit obligation	**3,456,185**	**3,105,548**	**2,814,551**
Current Portion		**389,915**	**48,619**
Non - Current Portion	**3,456,185**	**2,715,633**	**2,765,932**

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

	For the period ended 30 Sep 2019	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.65%	7.65%	7.70%
Expected rate of return on assets	N.A.	N.A.	N.A.
Expected rate of salary increase	6%	6%	6%
Retirement age (in years)	60 years	60 years	60 years
Employee turnover:-			
Service upto 5 years	5%	5%	5%
Service above 5 years	1%	1%	1%
Mortality rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

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

The expected contribution for next annual reporting period is ₹ 391,144 (31 March 2019: ₹ 389,915)

The impact of sensitivity analysis due to changes in the significant actuarial assumptions on the defined benefit obligations is given in below table:

(Amount in ₹)

	Change in assumptions	For the period ended 30 Sep 2019	For the year ended 31 March 2019	For the year ended 31 March 2018
Impact of changes in discount rate				
Impact due to increase	+ 1%		(3,360,823)	(3,062,831)
Impact due to decrease	- 1%		2,885,502	2,600,661
Impact of changes in salary rate				
Impact due to increase	+ 1%		2,887,155	3,064,560
Impact due to decrease	- 1%		(3,354,590)	(2,595,538)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

30. Leases

Operating lease: company as lessee

a. The Company has taken premises for factory use under operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to Rs 3,026,607 (31 March 2018: Rs 2,711,031). There are no restrictions imposed by the lease agreements. There are no sub leases.

Further minimum rental payable under non-cancellable operating lease are as follows :

(Amount in ₹)

	As at Sep 30, 2019	As at March 31, 2019	As at March 31, 2018
Within one year	-	3,317,291	3,026,607
After one year but not more than five years	-	-	3,317,291
After five years	-	-	-

31. Related party disclosure

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 year	
Fellow subsidiaries	Vikas Publishing House Private Limited
	Safari Digital Education Initiatives Private Limited
	New Saraswati House (India) Private Limited
	DS Digital Private Limited
Key Management Personnel	Mr Himanshu Gupta, Director
	Mrs Savita Gupta, Director
	Mr Dinesh Kumar Jhunjhnuwala, Director
	Mrs Neerja Jhunjhnuwala, Whole time Director

b) Transactions with the related parties **(Amount in ₹)**

Nature of transactions	**Year Ended**	**Holding Company**	**Fellow subsidiaries**	**Key management personnel**	**Total**
Printing charges paid					
Vikas Publishing House Private Limited	30 September 2019	-	1,858,759	-	1,858,759
	30 September 2018	-	4,444,339	-	4,444,339
	31 March 2019	-	11,690,866	-	11,690,866
	31 March 2018	-	4,753,790	-	4,753,790
Loan given during the year					
New Saraswati House (India) Private Limited	31 March 2019	-	70,000,000	-	70,000,000
	31 March 2018	-	-	-	-
D S Digital Pvt Ltd	31 March 2019	-	-	-	-
	31 March 2018	-	25,000,000	-	25,000,000
Neerja Jhunjhnuwala	31 March 2019	-	-	930,281	930,281
	31 March 2018	-	-	-	-
Loan repaid during the year					
New Saraswati House (India) Private Limited	31 March 2019	-	35,000,000	-	35,000,000
	31 March 2018	-	-	-	-
Interest income					
D S Digital Private Limited	30 September 2019	-	1,516,869	-	1,516,869
	30 September 2018	-	1,347,429	-	1,347,429
	31 March 2019	-	2,811,758	-	2,811,758
	31 March 2018	-	1,228,298	-	1,228,298
New Saraswati House (India) Private Limited	30 September 2019	-	1,947,774	-	1,947,774
	30 September 2018	-	-	-	-
	31 March 2019	-	1,751,101	-	1,751,101
	31 March 2018	-	-	-	-
Safari Digital Education Initiatives Private Limited	30 September 2019	-	15,773,528	-	15,773,528
	30 September 2018	-	14,522,054	-	14,522,054
	31 March 2019	-	28,502,240	-	28,502,240
	31 March 2018	-	28,224,266	-	28,224,266
Lease rent received from					
S Chand And Company Limited	30 September 2019	371,560	-	-	371,560
	30 September 2018	-	-	-	-
Remuneration to directors					
Neerja Jhunjhnuwala*	30 September 2019	-	-	1,810,800	1,810,800
	30 September 2018	-	-	1,800,000	1,800,000
	31 March 2019	-	-	2,762,050	2,762,050
	31 March 2018	-	-	3,600,000	3,600,000
Sales/ Job Work					
S Chand And Company Limited	30 September 2019	3,652,301	-	-	3,652,301
	30 September 2018	57,549,086	-	-	57,549,086

Nature of transactions	Year Ended	Holding Company	Fellow subsidiaries	Key management personnel	Total
	31 March 2019	203,166,885	-	-	203,166,885
	31 March 2018	132,544,551	-	-	132,544,551
New Saraswati House (India) Private Limited	30 September 2019	-	504,325	-	504,325
	30 September 2018	-	4,216,668	-	4,216,668
	31 March 2019	-	16,284,299	-	16,284,299
	31 March 2018	-	16,696,574	-	16,696,574
Vikas Publishing House Private Limited	30 September 2019	-	1,514,370	-	1,514,370
	30 September 2018	-	157,451	-	157,451
	31 March 2019	-	3,756,582	-	3,756,582
	31 March 2018	-	157,451	-	157,451
Purchase of paper/consumables					
Vikas Publishing House Private Limited	30 September 2019	-	-	-	-
	30 September 2018	-	-	-	-
	31 March 2019	-	7,118,000	-	7,118,000
	31 March 2018	-	20,256,340	-	20,256,340
Purchase of fixed assets					
Vikas Publishing House Private Limited	30 September 2019	-	-	-	-
	30 September 2018	-	-	-	-
	31 March 2019	-	-	-	-
	31 March 2018	-	3,100,000	-	3,100,000
Corporate Guarantee taken					
S Chand And Company Limited	30 September 2019	-	-	-	-
	31 March 2019	-	-	-	-
	31 March 2018	37,146,069	-	-	37,146,069
Corporate Guarantee given					
S Chand And Company Limited	30 September 2019	-	-	-	-
	31 March 2019	98,640,992	-	-	98,640,992
	31 March 2018	150,257,300	-	-	150,257,300
*Including perquisites paid during the year for year ended March 31, 2019.					

c) Balance outstanding **(Amount in ₹)**

	Year Ended	Holding Company	Fellow subsidiaries	Key management personnel	Total
Trade receivable					
S Chand And Company Limited	30 September 2019	2,844,072	-	-	2,844,072
	31 March 2019	45,342,016		-	45,342,016
	31 March 2018	153,004,622	-	-	153,004,622
New Saraswati House (India) Private Limited	30 September 2019	-	13,436,641	-	13,436,641
	31 March 2019	-	17,915,587	-	17,915,587
	31 March 2018	-	15,763,276	-	15,763,276
Loan and advances					

	Year Ended	Holding Company	Fellow subsidiaries	Key management personnel	Total
D S Digital Private Limited	30 September 2019	-	30,001,236	-	30,001,236
	31 March 2019	-	28,636,054	-	28,636,054
	31 March 2018	-	26,105,471	-	26,105,471
New Saraswati House (India) Private Limited	30 September 2019	-	37,109,032	-	37,109,032
	31 March 2019	-	35,356,035	-	35,356,035
	31 March 2018	-	-	-	-
Safari Digital Education Initiatives Private Limited	30 September 2019	-	299,183,246	-	299,183,246
	31 March 2019	-	285,240,869	-	285,240,869
	31 March 2018	-	260,096,454	-	260,096,454
Advance Recoverable					
Neerja Jhunjhnuwala	30 September 2019	-	-	1,007,569	1,007,569
	31 March 2019	-	-	930,281	930,281
	31 March 2018	-	-	-	-
Trade payable					
Vikas Publishing House Private Limited	30 September 2019	-	5,160,236	-	5,160,236
	31 March 2019	-	19,636,852	-	19,636,852
	31 March 2018	-	22,281,975	-	22,281,975
Remuneration to directors payable					
Neerja Jhunjhnuwala	30 September 2019	-	-	-	-
	31 March 2019	-	-	-	-
	31 March 2018	-	-	300,000	300,000

32. Contingent liabilities (to the extent not provided for) **(Amount in ₹)**

	30 Sep 2019	31 March 2019	31 March 2018
Corporate Guarantee against cash credit facility availed by Holding company (refer no 'a' below)	-	98,640,992	150,257,300
Income tax demand (refer note 'b' & note 'c' below)	74,872,055	74,872,055	74,872,055
Provident Fund (refer note 'd' below)		-	-

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

(Amount in ₹)

Guarantee given to	In respect to credit facility granted to	Maturity date	Interest rate	30 Sep 2019	31 March 2019
HDFC Bank	S Chand And Company Limited	On demand	9.50% to 10.10%	-	98,640,992

b. During FY 2012-13, the Company received demand notice from the income tax authorities requiring to pay additional tax of ₹ 39,439,763 (31 March 2018: ₹ 39,439,763) for assessment year 2011-12. Demand pertains to disallowance of deduction under section 80IC of the Income Tax Act. The company has not paid any amount towards this demand. The matter has been decided in Company's favour by CIT (Appeals) and is currently pending with the ITAT. The management is confident that the matter will be decided in company's favour.

c. During FY 2014-15, the Company received demand notice from the income tax authorities requiring to pay additional tax of ₹ 35,432,292 (31 March 2018: ₹ 35,432,292) for assessment year 2012-13. Demand pertains to disallowance of deduction under section 80IC of the Income Tax Act. The company has not paid any amount towards this demand. The matter has been decided in Company's favour by CIT (Appeals) and is currently pending with the ITAT. The management is confident that the matter will be decided in company's favour.

d. There are numerous interpretive issues relating to the Supreme Court (SC) judgement dated February 28, 2019. As a matter of caution, the Company has made provision on a prospective basis from the date of SC order. The Company will update its provision, on receiving further clarity on the subject.

33. Dues to Micro, small and medium enterprises as defined under the MSMED Act, 2006 (Amount in ₹)

	30 Sep 2019	31 March 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
-Principal amount due to micro and small enterprises	-	27,187
-Interest due on above	-	-
	-	27,187
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

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

Raw Materials	Imported		Indigenously obtained	
	Percentage (%)	Amount (₹)	Percentage (%)	Amount (₹)
As at 30 June 2019	0%	-	100%	2,967,895
As at 31 March 2019	0%	-	100%	135,997,694
As at 31 March 2018	0%	-	100%	78,609,208

35. Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain loans the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

(Amount in ₹)

Name of the loanee	Rate of Interest/ Due Date	Secured/ unsecured	30 Sep 2019	31 March 2019
Safari Digital Education Initiatives Private Limited	SBI 2 Years MCLR+ 250 BPS/ 3 years	Unsecured	299,183,246	285,240,869
DS Digital Private Limited	SBI 2 Years MCLR+ 250 BPS/ 3 years	Unsecured	30,001,236	28,636,054
New Saraswati House (India) Private Limited	SBI 2 Years MCLR+ 250 BPS/ 3 years	Unsecured	37,109,032	35,356,035

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

36. Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations pre-dominantly relate to binding of books. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

37. Information about major customers

Revenue from 2 major customers amounted to ₹ 219,451,184 agrregating to 97.96% of total revenue (Rs 149,241,125 aggregating to 98.68% during the year ended 31 March 2018).

38. Corporate Social Responsibility (CSR)

(Amount in ₹)

	30 Sep 2019	31 March 2019
a) Gross amount required to be spent by the Company during the year	-	1,675,732
b) Amount spent during the year	-	-

39 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.

40 Financial Instruments:- Financial risk management objectives and policies

The Company's principal financial liabilities, comprises loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments in equity shares and government securities, advances to related party, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Board provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk:-

a.) Interest rate risk,

b.) currency risk and other price risk, such as equity price risk and

c.) commodity risk.

Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2019

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

a. **Interest rate risk.**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
31 March 2019		
Borrowings in ₹	+0.5%	36,437
	-0.5%	(36,437)
31 March 2018		
Borrowings in ₹	+0.5%	263,196
	-0.5%	(263,196)

b. **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company does not have any foreign currency exposure as on the reporting date other than the company's functional currency.

B. **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any significant credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The ageing analysis of trade receivables (net) as of the reporting date is as follows:

Age Bracket	Current	0-180 days past due	181-365 days past due	366-730 days past due	More than 730 days	Total
As at 31 March 2019	58,001,239	5,028,304	1,127,477	-	-	**64,157,020**
As at 31 March 2018	140,579,296	14,238,367	13,202,985	-	-	**168,020,648**

C. **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. The Company's approach to managing liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its liability when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company closely monitors its liquidity position and deploys a robust cash management system. The Company manages liquidity risk by maintaining adequate reserves, borrowing liabilities, by continuously monitoring forecast and actual cash flows, profile of financial assets and liabilities. It maintain adequate sources of financing including loans from banks at an optimised cost. The table below provides the details regarding contractual maturities of financial liabilities.

	As at 31 March 2019	As at 31 March 2018
On Demand		
- Borrowings	-	42,639,207
	-	**42,639,207**
Less than 1 year		
- Trade payables	58,559,687	61,468,603
- Other financial liabilities	6,773,932	6,353,373
	65,333,619	**67,821,976**
More than 1 year		
- Borrowings	4,084,981	7,030,415
	4,084,981	**7,030,415**

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 5% and 12%. The Company measures underlying net debt as total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents. For the purpose of capital management, total capital includes issued equity equity capital, share premium and all other reserves attributable to the equity holders of the Company, as applicable.

Company's adjusted net debt to equity ratio as at 31 March 2019 is as follow: (Amount in ₹)

	As at 31 March 2019	As at 31 March 2018
Borrowings (including current maturities)	**7,287,324**	**52,639,207**
Less: Cash and cash equivalents	**(58,977,051)**	**(5,066,553)**
Adjusted Net debt (A)	**(51,689,727)**	**47,572,654**
Equity	758,298,305	718,485,126
Total equity (B)	**758,298,305**	**718,485,126**
Total equity and net debt [C = (A+B)]	**706,608,578**	**766,057,780**
Gearing Ratio (A/C)	**0.00%**	**6.21%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

42 Fair value of financial assets and liabilities

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

(Amount in ₹)

	31 March 2019			31 March 2018		
	FVTPL	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI
Assets						
Non current financial assets						
- Investments	183,625	206,575,165	-	143,270	206,575,165	-
- Loans	-	350,409,662	-	-	287,286,392	-
- Other financial assets	-	-	-	-	70,939	-
Current financial assets						
- Trade receivables	-	64,157,020	-	-	168,020,648	-
- Loans	-	986,317	-	-	94,129	-
- Cash and cash equivalents	-	58,977,051	-	-	5,066,553	-
- Other financial assets	-	70,939	-	-	6,840,318	-
Liabilities						
Non Current Financial liabilities						
- Borrowings	-	4,084,981	-	-	7,030,415	-
Current financial liabilities						
- Borrowings	-	-	-	-	42,639,207	-
- Trade payables	-	58,559,687	-	-	61,468,603	-
- Other financial liabilities	-	6,773,932	-	-	6,353,373	-

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

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

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

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

iv.) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the quoted notes and bonds are based on price quotations at the reporting date.

43 Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed 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) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:

(Amount in ₹)

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value:			
Quoted equity shares	183,625	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets measured at fair value:			
Quoted equity shares	143,270	-	-

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

As per our report of even date

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

Sd/-
Savita Gupta
Director
DIN: 00053988

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Sd/-
Meenu Aggarwal
Finance Head

Place : New Delhi
Date : 6th November 2019

V.P.JAIN & ASSOCIATES
Chartered Accountants
Ambika Bhawan, F-1, First Floor,
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002
Phone: 23276695,30126695
email id-vpjain_ca@rediffmail.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To
The Board of Directors,
DS Digital Private Limited,
A-27, 2nd Floor, Mohan Co-operative Industrial Estate
New Delhi - 110044

1. We have reviewed the accompanying Statement of Unaudited Financial Results along with the notes thereon, of **DS Digital Private Limited,** ("the Company") for the quarter and half year ended September 30, 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.

2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared substantially in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to enquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated above and read with the notes accompanying the Statement and appended below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared substantially in accordance with the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For V.P. Jain & Associates
Chartered Accountants
(FRN: 015260N)

Sd/-
(CA Sarthak Madaan)
Partner
(Membership No. 547131)

Place: New Delhi
Date: November 7, 2019
UDIN: 19547131AAAAA15654

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
Balance sheet as at 30 September 2019

(Amount in Rs.)

Particulars	Notes	As at 30 September 2019	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	96,773,368	109,339,268
Other intangible assets	4	169,046,773	186,829,857
- Right to Use Assets		12,062,656	-
Other intangible assets under development	4	34,816,533	18,529,321
Financial assets			
- Loans	5B	3,329,835	3,071,686
Deferred tax assets (net)	8	135,858,683	138,344,180
Other non-current assets	7	1,678,717	1,668,041
Total non-current assets		**453,566,565**	**457,782,353**
Current assets			
Inventories	6	2,949,684	4,244,080
Financial assets			
- Trade receivables	5A	49,933,944	82,562,289
- Cash and cash equivalents	5C	746,751	3,304,075
- Loans	5B	2,698,239	2,285,681
Other current assets	7	21,252,289	22,174,122
Total current assets		**77,580,907**	**114,570,247**
Total assets		**531,147,472**	**572,352,600**
Equity and liabilities			
Equity			
Equity share capital	9	347,289,200	347,289,200
Other equity	10	(325,463,071)	(271,830,371)
Total equity		**21,826,129**	**75,458,829**
Non-current liabilities			
Financial liabilities			
- Borrowings	11A	317,102,834	293,363,364
- Other financial liabilities			
(a) Lease Liability		10,076,291	
Provisions	14	3,478,916	5,048,048
Total non current liabilities		**330,658,040**	**298,411,412**
Current liabilities			
Financial liabilities			
- Borrowings	11B	86,943,624	86,084,139
- Trade payables	12		
(a) Total outstanding dues of micro and small enterprises		11,548,958	24,103,628
(b) Total outstanding dues of creditors other than micro and small enterprises		29,172,220	41,180,608
- Other financial liabilities	13	42,024,585	37,737,432
(a) Lease Liability		2,293,077	
Other current liabilities	15	5,358,628	8,490,585
Provisions	14	1,322,211	885,967
Total current liabilities		**178,663,303**	**198,482,360**
Total equity and liabilities		**531,147,472**	**572,352,600**

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

As per our report of even date
For V. P. Jain & Associates
Chartered Accountants
Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 07/11/2019

For and on behalf of the Board of Directors of DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
Membership No.: A-36926

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
Statement of Profit and Loss for the period ended 30 September 2019

(Amount in ₹)

	Particulars	Notes	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
I	Revenue from Operations	16	70,203,873	201,345,796	71,141,431
II	Other Income	17	2,463,953	14,336,569	311,059
III	**Total Income (I+II)**		**72,667,826**	**215,682,365**	**71,452,490**
IV	**Expenses**				
	Purchases of Stock in trade	18	2,153,145	31,237,824	16,323,702
	(Increase)/decrease in inventories of finished goods and stock in trade	19	1,294,393	(476,865)	1,151,416
	Employee benefits expense	20	18,613,561	55,996,331	35,007,605
	Selling and distribution expenses	21	7,263,344	48,655,720	23,507,314
	Finance cost	22	24,977,370	37,199,777	17,521,240
	Other expenses	23	34,161,442	60,251,990	23,802,913
	Depreciation and amortisation expense	24	36,054,364	63,045,527	31,955,562
	Total expenses		**124,517,618**	**295,910,304**	**149,269,751**
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**(51,849,792)**	**(80,227,940)**	**(77,817,261)**
VI	Exceptional item		-	-	
VII	**Profit/(loss) before tax**		**(51,849,792)**	**(80,227,940)**	**(77,817,261)**
VIII	**Tax expense:**				
	Current tax		-	-	-
	Income tax adjustment related to earlier years		-	-	-
	Deferred tax (credit)/ charge		2,302,823	(11,411,145)	(18,566,040)
	Total tax expenses		**2,302,823**	**(11,411,145)**	**(18,566,040)**
IX	**Profit (Loss) for the period**		**(54,152,615)**	**(68,816,795)**	**(59,251,221)**
X	**Other Comprehensive Income**				
	- Items that will not be reclassified to profit or loss	25			
	Re-measurement gains/(losses) on defined benefit plans		702,590	820,814	767,288
	Tax impact on re-measurement gain/ (losses) on defined benefit plans		(182,673)	(213,412)	(199,495)
XI	**Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(53,632,699)**	**(68,209,393)**	**(58,683,428)**
XII	**Earnings per equity share:**	26			
	(1) Basic		(1.56)	(1.98)	(1.71)
	(2) Diluted		(1.56)	(1.98)	(1.71)

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

As per our report of even date
For V. P. Jain & Associates
Chartered Accountants
Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 07/11/2019

For and on behalf of the Board of Directors of DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
Membership No.: A-36926

DS DIGITAL PRIVATE LIMITED
CIN: U72200DL2008PTC173250
Statement of changes in equity for the period ended 30 September 2019

A. Equity share capital:

Equity shares	No. of shares	Amount in Rs.
Issued, subscribed and fully paid up (Share of Rs. 10 each)		
At 31 March 2019	34,728,920	347,289,200
Increase/(decrease) during the year	-	-
At 30 September 2019	**34,728,920**	**347,289,200**

B. Other equity (Amount in ₹)

Particulars	Reserve & Surplus		Equity component of Non Cumulative Optionally Convertible Preference Share	Total
	General reserve	ESOPs reserve		
Balance as at 31 March 2019	**(458,521,864)**		**186,691,493**	**(271,830,371)**
Changes in accounting policy / prior period errors	-			-
Restated balance at the beginning of the reporting period	(458,521,864)		186,691,493	(271,830,371)
Profit for the period	(53,632,699)		-	(53,632,699)
Other comprehensive income for the period	(2)		-	(2)
Total Comprehensive Income for the period	(53,632,700)		-	(53,632,700)
Changes during the period				
Balance as at 30 September 2019	**(512,154,565)**		**186,691,493**	**(325,463,071)**

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

As per our report of even date
For V. P. Jain & Associates
Chartered Accountants
Sd/-
Sarthak Madaan
Partner
Membership No.: 547131
Fr. No. : 015260N

Place : New Delhi
Date : 07/11/2019

For and on behalf of the Board of Directors of DS Digital Private Limited

Sd/-
Himanshu Gupta
Director
DIN : 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Director
DIN : 00282988

Sd/-
Arvind Srivastava
Chief Financial Officer

Sd/-
Manish Kumar Goyal
Company Secretary
Membership No.: A-36926

3. Property, plant and equipment

(Amount in ₹)

Particulars	Furniture & Fixtures	Office Equipment	Computers & Pheripherals	Vehicles	Plant & Equipment	Total
Cost						
As at 31 March 2019	**10,557,747**	**3,159,268**	**176,433,728**	**408,916**	**1,112,872**	**191,672,531**
Additions	-	-	3,011,162	-	-	**3,011,162**
Disposals	-	-	-	-	-	**-**
As at 30 September 2019	**10,557,747**	**3,159,268**	**179,444,890**	**408,916**	**1,112,872**	**194,683,693**
Accumulated depreciation						
As at 31 March 2019	**5,166,223**	**1,939,566**	**74,797,947**	**122,366**	**307,161**	**82,333,263**
Charge for the Year	614,903	317,344	14,310,733	282,150	51,933	**15,577,062**
Deductions	-	-	-	-	-	**-**
As at 30 September 2019	**5,781,125**	**2,256,910**	**89,108,680**	**404,516**	**359,095**	**97,910,326**
Net block						
As at 31 March 2019	5,391,525	1,219,702	101,635,781	286,549	805,711	**109,339,268**
As at 30 September 2019	4,776,622	902,358	90,336,210	4,399	753,778	**96,773,368**

4. Intangible assets

(Amount in ₹)

Particulars	Right to Use Assets	Intangible Assets under Development	Learning Content	Computer Software	Total
Gross block					
As at 31 March 2019		**18,529,321**	**265,681,508**	**2,646,928**	**286,857,756**
Purchases/internal development	13,570,488	16,867,506	580,294	606,092	**31,624,380**
Disposals/Transferred to Block	-	(580,294)	-	-	**(580,294)**
As at 30 September 2019	**13,570,488**	**34,816,533**	**266,261,802**	**3,253,020**	**317,901,842**
Accumulated depreciation					
As at 31 March 2019			**79,893,078**	**1,605,501**	**81,498,579**
Amortization for the year	1,507,832		18,628,381	341,088	**20,477,301**
Deductions					**-**
As at 30 September 2019	**1,507,832**		**98,521,459**	**1,946,589**	**101,975,880**
Net block					
As at 31 March 2019		**18,529,321**	**185,788,430**	**1,041,427**	**205,359,177**
As at 30 September 2019	**12,062,656**	**34,816,533**	**167,740,343**	**1,306,431**	**215,925,962**

5. **Financial Assets**

5A. **Trade receivables**

(Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Trade receivables		
Unsecured, considered good *	49,933,944	82,562,289
Doubtful	43,060,759	36,316,810
	92,994,703	**118,879,100**
Less: Allowance for expected credit loss		
Doubtful	(43,060,759)	(36,316,810)
	(43,060,759)	**(36,316,810)**
Net Trade receivables		
Unsecured, considered good	49,933,944	82,562,289
Doubtful	-	
	49,933,944	**82,562,289**
Current	**49,933,944**	**82,562,289**
Non-Current	**-**	**-**

* In absence of confirmations considered good by the Management.

5B. **Loans**

(Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Security deposits - Non Current	3,329,835	3,071,686
Security deposits - Current	2,698,239	2,285,681
Total Loans and Advances	**6,028,074**	**5,357,367**
Current	**2,698,239**	**2,285,681**
Non-Current	**3,329,835**	**3,071,686**
Unsecured, considered good	6,028,074	5,357,367
Unsecured, considered doubtful		
	6,028,074	**5,357,367**
Less: Allowance for expected credit loss	-	-
	6,028,074	**5,357,367**

5C. **Cash and cash equivalents**

(Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Balances with banks		
- In current accounts	739,087	3,186,666
Cash in hand	7,664	117,409
Total Cash and cash equivalents	**746,751**	**3,304,075**
Current	**746,751**	**3,304,075**
Non-Current	**-**	**-**

6. **Inventories** **(Amount in ₹)**

Particulars	**As at 30 September 2019**	**As at 31 March 2019**
Raw materials	-	-
Work in progress	-	-
Stock-in-Trade (As taken, valued and certified by management)	2,949,684	4,244,077
	2,949,684	**4,244,077**
Less : Provision for slow & non moving stock	-	
Total Inventories	**2,949,684**	**4,244,077**

7. **Other Assets** **(Amount in ₹)**

7A. **Prepaid expenses**

Particulars	**As at 30 September 2019**	**As at 31 March 2019**
Prepaid expenses (Non current)	578,717	568,041
Prepaid expenses (Current)	742,417	909,588
Total Prepaid expenses	**1,321,134**	**1,477,629**

7B. **Other assets**

Particulars	**As at 30 September 2019**	**As at 31 March 2019**
Deposit with government authority (Refer Note 7B.1)	1,100,000	1,100,000
Advance Taxes,TDS & Other Receivable		
- TDS (FY17-18)	-	2,902,523
- TDS (FY18-19)	3,580,019	2,318,132
- TDS (FY19-20)	624,375	-
- Duty Credit Scrips	3,463,194	3,463,194
- Export Incentive (Refer Note 7B. 2)	5,616,530	5,616,530
- Service Tax/GST	1,248,373	1,317,231
Advance to Suppliers	5,357,828	5,202,120
Advance to employees Imprest	619,553	444,804
Stipend Advance	-	-
Total Other assets	**21,609,872**	**22,364,534**
Current	**21,252,289**	**22,174,122**
Non-Current	**1,678,717**	**1,668,041**

7B.1 Paid towards levy of penalty of Rs 27.50 Lacs under UP VAT. The matter has been set asside by the Apellate Authority.

7B.2 Represents export incentive receivable for FY 2016-17, FY 2017-18 and FY 2018-19. In the opinion of management amount is considered\ good and management is hopeful that amount of Rs 20,37,779 (FY 2016-17) & Rs 12,28,930 (FY 2017-18) will be received in FY 2019-20.

8. Deferred taxes (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
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	169,004,916	161,839,243
Others		
Impact of Ind AS adjustments	(2,485,497)	11,197,733
Total deferred tax assets	**166,519,419**	**173,036,976**
Items leading to creation of deferred tax liabilities		
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	30,660,736	34,692,797
Impact of Ind AS adjustments	-	-
Total deferred tax liabilities	**30,660,736**	**34,692,797**
Net deferred tax assets/(liabilities)	**135,858,683**	**138,344,180**

8.1 In view of pending merger of company with S Chand & Company Ltd and virtual probability of earning temporary tax differences in future, deferred tax assets has been created.

9. Share Capital (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Authorised		
3,70,00,000 (31 March 2018: 3,70,00,000) equity shares of Rs 10/- each	370,000,000	370,000,000
Issued, subscribed and fully paid up		
3,47,28,920 (31 March 2018: 3,47,28,920) equity shares of Rs 10/- each	347,289,200	347,289,200
	347,289,200	**347,289,200**

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

Equity shares	Numbers
Issued, subscribed and fully paid up	
As at 31 March 2019	**34,728,920**
Increase/(Decrease) during the period	-
As at 30 September 2019	**34,728,920**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares and one class of Preference shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. 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

	30 September 2019 (Rs.)	31 March 2019 (Rs.)
S Chand And Company Limited (formerly S Chand and Company Private Limited)	176,867,500	176,867,500
Safari Digital Education Initiatives Pvt Ltd	170,371,650	170,371,650

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

S Chand And Company Limited

Safari Digital Education Initiatives Pvt Ltd

10. Other Equity

(Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Retained earning		
Balance as the Beginning of reporting period	(458,521,884)	(390,312,472)
Add: Surplus during the year	(54,152,615)	(68,816,795)
Add: Other Comprehensive income	519,917	607,402
Add: Prior Period Errors		
Balance as the end of reporting period (A)	**(512,154,582)**	**(458,521,864)**
Equity component of preference shares		
Equity component (I Preference shares)	26,691,493	26,691,493
Equity component (II Preference shares)	160,000,000	160,000,000
Balance as the end of reporting period (B)	**186,691,493**	**186,691,493**
Total (A+B)	**(325,463,089)**	**(271,830,371)**

I Preference shares

Company offered and issued 61,70,400 1% optionally convertible non-cumulative Preference Shares (“OCNCPS”) of Rs.10 each to Safari Digital Education Initiatives Private Limited (“Safari Digital” or the “Holder”) as per special resolution passed on 24th March, 2015. Safari Digital is wholly owned subsidiary of S Chand And Company Limited.

Convertible Preference share shall have preferential right vis-a-vis Equity Share of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

Convertible Preference share shall have non- cumulative and non-participating in surplus fund.

Convertible Preference share shall have optionally convertible into equity shares of the Company after a period of 2 years from the date of issue at the option of the Safari Digital Education Initiatives Private Limited

Convertible Preference share Shall carry voting rights as per the provisions of Section 47(2) of the Act;

After 5 years, if not converted into Equity Shares then it shall be mandatorily re-deemed.

1% optionally convertible non-cumulative Preference Shares

(Amount in ₹)

Particulars	As at 30 September,2019	As at 31 March,2019
As per last Balance Sheet	61,704,000	61,704,000
Changes during the period	-	-
Balance at end of year	**61,704,000**	**61,704,000**

The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 30 September,2019	As at 31 March,2019
Preference shares at the beginning of the period	6,170,400	6,170,400
Add: Issue of Shares	-	-
Preference shares at the end of the period	**6,170,400**	**6,170,400**

The details of shareholders holding more than 5% shares in the Company including those held by holding company and Subsidiaries of holding company:

Name of Shareholders	As at 30 September,2019	As at 31 March,2019
Safari Digital Education Initiatives Private Limited	6,170,400	6,170,400
(100 % shareholding)		
	6,170,400	**6,170,400**

II Preference shares

Company offered and issued 1,60,00,000 1% optionally convertible non-cumulative Preference Shares ("OCNCPS") of Rs.10 each as per special resolution 31st August, 2016 to S Chand And Company Limited.

Convertible Preference share shall have preferential right vis-a-vis Equity Share of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

Convertible Preference share shall have non- cumulative and non-participating in surplus fund.

Convertible Preference share shall have optionally convertible into equity shares of the Company after a period of 2 years from the date of issue at the option of the DS Digital Private Limited.

Convertible Preference share Shall carry voting rights as per the provisions of Section 47(2) of the Act;

After 5 years, if not converted into Equity Shares by the Holder then it shall be mandatorily re-deemed.

(Amount in ₹)

1% optionally convertible non-cumulative Preference Shares	As at 30 September,2019	As at 31 March,2019
As per last Balance Sheet	160,000,000	160,000,000
Changes during the period	-	-
Balance at end of period	**160,000,000**	**160,000,000**

The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 30 September,2019	As at 31 March,2019
Preference shares at the beginning of the period	16,000,000	16,000,000
Add: Issue of Shares	-	-
Preference shares at the end of the period	**16,000,000**	**16,000,000**

The details of shareholders holding more than 5% shares in the Company including those held by holding company and Subsidiaries of holding company:

Name of Shareholders	As at 30 September,2019	As at 31 March,2019
S Chand And Company Limited	16,000,000	16,000,000
(100 % shareholding)		
	16,000,000	**16,000,000**

11. Borrowings (Amount in ₹)

11A. Non-current borrowings

Particulars	As at 30 September 2019	As at 31 March 2019
Secured Loans		
Indian rupee loan from others (Siemens Financial Services Pvt Ltd) {Refere Note No 11A.1}	43,636,841	43,550,127
Unsecured Loans		
Preference Shares - Liability component	58,398,432	55,092,860
Loan from related party		
- Safari Digital Education Initiatives Pvt. Ltd.	58,776,364	56,619,475
- S Chand & Company Limited	78,523,737	74,977,662
- Eurasia Publishing House Pvt. Ltd	6,045,669	5,774,696
- Chayya Prakashini Private Limited	67,599,275	51,886,129
- Nirja Publishers and Printers Pvt. Ltd	30,001,236	28,636,054
Total Non-current borrowings	**342,981,553**	**316,537,003**
Less : Current Maturities of long Term Borrowings	25,878,720	23,173,639
Current	**-**	**-**
Non Current	**317,102,834**	**293,363,364**

11A.1. Secured loans are charged against the Movable Fixed Assets of the Company.

11B. Current borrowings (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Secured:		
Cash credit from banks - (Refer Note 11B.1)		
Standard Chartered Bank	49,852,844	42,175,144
Unsecured :		
Loans from related parties-		
Safari Digital Education Initiatives Pvt Ltd	0	0
S Chand & Co. Ltd (Running account) (Refer Note 11B.2.)	28,709,433	35,909,433
Blackie & Sons (Calcutta) Pvt Ltd	8,381,347	7,999,561
Total	**86,943,624**	**86,084,139**
Secured	**49,852,844**	**42,175,144**
Unsecured	**37,090,780**	**43,908,994**

11B.1. Exclusive charge on entire current assets and movable fixed assets (except assets which are exclusively charged under equipment financing).

11B.2. Running Account with S Chand and Company Ltd. is interest free.

12. Trade payables (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Non-Current		
Trade payables other than micro enterprises and small enterprises	-	-
Current		
Total outstanding dues of micro enterprises and small enterprises: and	11,548,958	24,103,628
Total outstanding dues of creditors other than micro enterrprises & small enterprises	29,172,220	41,180,608
Total Trade payables	**40,721,178**	**65,284,236**
Current	**40,721,178**	**65,284,236**
Non-current	**-**	**-**

13 **Other financial liabilities** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Expenses Payables	10,701,985	8,955,837
Employee salary Payable	2,350,091	3,383,373
Current maturities of long-term Borrowings	25,878,720	23,173,639
Other financial liabilities (Employees Imprest)	3,093,789	2,224,583
Other financial liabilities (Lease Liability)	12,369,368	-
Total other financial liabilities	**54,393,953**	**37,737,432**
Current	**52,100,876**	**37,737,432**
Non current	**2,293,077**	**-**

14 **Provisions** (Amount in ₹)

Particulars		As at 30 September 2019	As at 31 March 2019
Provision for retirement benefits			
	Gratuity	2,138,977	3,087,904
	Leave Encashment	2,662,150	2,846,111
Total Provisions		**4,801,127**	**5,934,015**
Current		**1,322,211**	**885,967**
Non current		**3,478,916**	**5,048,048**

15 **Other liabilities** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019
Other payables:		
Statutory dues	2,411,422	4,276,344
Advance from customers (as certified by management)	2,947,206	4,214,241
Defered Revenue- Billing	(0)	
Other		
Total Other liabilities	**5,358,628**	**8,490,585**
Current	**5,358,628**	**8,490,585**
Non current	**-**	**-**

16. **Revenue From Operations** (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Sale of products			
Finished goods	2,375,139	40,190,957	14,339,881
Sale of services	67,828,734	158,805,019	56,801,550
Other Operating Revenues			
Export Incentive	-	2,349,820	-
Total revenue from operations	**70,203,873**	**201,345,796**	**71,141,431**
Detail of sale of services			
Domestic			
Customized Interactive Education Services	38,039,140	92,977,819	31,228,719
Income From Pre School Educational Activity	6,640,098	14,088,517	7,127,470
Export			
Customised Interactive Education Services	23,149,496	51,738,683	18,445,361
	67,828,734	**158,805,019**	**56,801,550**

17. **Other Incomes** (Amount in ₹)

17.1 **Finance Income**

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Interest income -			
- on fixed deposits	-	-	-
- on income tax refund	160,137	196,193	196,193
			72,738
Total finance income	**160,137**	**196,193**	**268,931**

17.2 **Other Income** (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Provision reversed on account of Actual Bad Debt	2,075,040	13,025,897	
Fair Value Gain on Security Deposit	204,911	407,672	
Other Income	23,865	706,807	42,128
Total other income	**2,303,816**	**14,140,376**	**42,128**

18. **Purchase & implementation cost** (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Computer & Peripherals	2,153,145	30,667,824	16,143,702
English Labs (Kit)	-	570,000	180,000
Total Purchase & implementation cost	**2,153,145**	**31,237,824**	**16,323,702**

19. (Increase)/Decrease in Inventories (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Inventories at the beginning of the year			
Trade Items	4,244,077	3,767,212	3,767,212
Inventories at the end of the year			
Trade Items	2,949,684	4,244,077	2,615,796
(Increase)/decrease in inventories	**1,294,393**	**(476,865)**	**1,151,416**

20. Employee Benefits Expenses (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Salaries, Wages, Allowances	14,998,247	43,387,716	28,005,846
Provident Fund & ESI	1,013,961	2,724,628	1,392,851
Staff Welfare and Medical Insurance	106,534	1,177,626	692,373
Gratuity	437,116	970,490	485,245
Leave encashment	249,958	567,401	94,366
Bonus and Exgratia	358,832	782,508	239,425
Other Benefits to Staff	1,448,913	6,385,962	4,097,499
Total employee benefits expenses	**18,613,561**	**55,996,331**	**35,007,605**

21. Selling and Distribution Expenses (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Advertisement and conference expenses	598,043	3,667,431	2,187,058
Travelling and boarding expenses	5,455,378	17,204,150	7,720,654
Freight, cartrage and installation expenses	822,907	5,367,548	4,302,841
Marketing & commission expenses	362,900	22,242,758	9,229,812
Business promotion	24,116	173,833	66,949
Total selling and distribution expenses	**7,263,344**	**48,655,720**	**23,507,314**

22. Finance Cost (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Interest Expense	21,566,237	30,618,674	14,034,070
Fair Value Loss on Preference Shares	3,305,572	5,902,808	2,951,404
Bank Charges	105,561	678,294	535,766
Total finance cost	**24,977,370**	**37,199,777**	**17,521,240**

23. **Other Expenses** **(Amount in ₹)**

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Foreign Exchange Rate Difference	5,963	(689,465)	(1,614,512)
Office Expense	1,457,732	4,180,023	2,036,243
Professional /Consultancy charges	2,927,236	5,446,618	5,992,704
Conveyance Expenses	122,569	346,341	165,750
Electricity & Genset Expenses	874,423	1,955,886	1,367,146
Repair & Maintenance	5,386,047	8,301,718	4,004,364
Office Stationery	76,128	340,640	158,231
Telephone	168,874	825,762	618,651
Rent expenses	2,391,594	8,845,045	4,760,049
Auditor's Remuneration	305,000	350,000	225,000
Amount written off	-	377,053	312,680
Insurance Expenses	31,335	148,483	94,497
Rates & Taxes	4,097,660	49,437	27,455
Bad Debts Written Off	2,075,040	13,025,897	1,658,613
School Van Running Expns	667,118	1,869,011	665,348
Miscellaneous Expenses	4,666,117	9,524,783	1,784,394
Provision for Doubtful Debt for Expected Credit Loss	8,818,989	5,022,255	1,546,300
Fair Value Loss on Security Deposit	89,617	299,025	-
Loss on Sales of Assets	-	33,478	-
Total other expenses	**34,161,442**	**60,251,990**	**23,802,913**

Payment to auditor

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
As auditor			
For Audit	137,500	350,000	225,000
Reimbursement of expenses	-	-	-
	137,500	**350,000**	**225,000**

24. **Depreciation and Amortisation Expenses** **(Amount in ₹)**

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Depreciation of property, plant & euipement	15,577,062	29,379,765	15,348,347
Amortisation of intangible assets	20,477,301	33,665,763	16,607,215
Total depreciation and amortisation expneses	**36,054,364**	**63,045,527**	**31,955,562**

25. **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 2019 **(Amount in ₹)**

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Re-measurment gains/(losses) on defined benefit plans	702,590	820,814	767,288
Tax impact on re-measurement gains/(losses) on defined benefit plans	(182,673)	(213,412)	(199,495)
	519,917	**607,402**	**567,793**

26. 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.

(Amount in ₹)

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

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Net Loss after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(54,152,615)	(68,816,795)	(59,251,221)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	34,728,920	34,728,920	34,728,920
Basic Earnings per share	(1.56)	(1.98)	(1.71)
Diluted Earnings per share	(1.56)	(1.98)	(1.71)
Face Value per equity share	10	10	10

Note: The effect of weighted average potential Equity shares to be issued at the time of conversion of optionally convertible preference shares is anti-dilutive in nature and hence not considered in calculation of dilutive earnings per share.

27 Related Party Disclosure

Related Party disclosure in accordance with the Accounting Standard AS-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India is given as under in respect of related parties with whom transactions have taken place:

a) Related parties and their relationship

1)	Holding Company	-S Chand And Company Limited
2)	Associate Companies / Firms	
3)	Companies under same Managerment	-Safari Digital Education Initiatives Pvt Ltd
		-Blackie & Son (Calcutta) Pvt Ltd
		-Edutor Technologies India Pvt Ltd
		-Eurasia Publishing House Pvt Ltd
		-New Saraswati House (India) Pvt. Ltd.
		-Nirja Publishers and Printers Pvt Ltd
		-Vikas Publishing House Pvt. Ltd.
		-S. Chand Edutech Pvt Ltd
		-Chhaya Prakashani Private Limited
		-Indian Progressive Publishing Co. Pvt. Ltd.
		-BPI (India) Private Limited
4)	Director's Sustantial Shareholdings	-Hotel Tourist
		-SC Hotel Tourist Deluxe Pvt Ltd
		-S Chand Properties Pvt. Ltd.
		-S. Chand Hotels Pvt. Ltd.
		-Shaara Hospitalities Pvt Ltd
		-HMR Sports Ventures Pvt. Ltd.
		-Amenity Sports Academy Pvt. Ltd.
		-Amenity Public School

5) Key Management Personnel

- Mr. Himanshu Gupta
- Mr. Dinesh Kumar Jhunjhnuwala
- Mr. Manish Kumar Goyal, Company Secretary (Appointed w.e.f. 17.05.2018)
- Mr. Rajagopalan Chandrashekar, Independent Director (Appointed w.e.f. 07.08.2018)
- Mr. Arvind Srivastava, Chief Financial Officer (Appointed w.e.f. 11.02.2019)
- Mr. Sharad Talwar, Independent Director
- Mr. Naveen Kundu, CEO

(Amount in ₹)

Nature of Transactions	Holding Company		Associates		Key Managerial Personnel & their relatives		Companies under Same Management		Directors Substantial Shareholdings		TOTAL	
	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18
Loans and Advances Received												
S Chand And Company Limited	-	25,000,000									-	25,000,000
Chhaya Prakashani Private Limited							13,000,000	-			13,000,000	-
Repayment of Loans and Advances received												
S Chand And Company Limited	7,200,000	-									7,200,000	-
Purchase of Product/ Services												
S Chand And Company Limited												
Hotel Tourist									54,380	396,672	54,380	396,672
SC Hotel Tourist Deluxe Pvt Ltd									5,300	-	5,300	-
Safari Digital Education Initiatives Pvt Ltd							1,856,092	-			1,856,092	-
Edutor Technologies India Pvt Ltd								1,294,246			-	1,294,246
Salary, Perks and Allowances												
Naveen Kundu					2,194,645	2,194,645					2,194,645	2,194,645
Rajgopalan Chandrashekhar					50,000	-					50,000	-
Sharad Talwar					50,000	150,000					50,000	150,000
Atul Nischal					-	75,000					-	75,000
Interest Expense												
Safari Digital Education Initiatives Pvt Ltd							3,216,000	3,216,000			3,216,000	3,216,000
Eurasia Publishing House Pvt Ltd							301,082	269,487			301,082	269,487
Blackie & Son (Calcutta) Pvt Ltd							424,206	350,334			424,206	350,334
Nirja Publishers and Printers Pvt Ltd							1,516,869	1,347,429			1,516,869	1,347,429
S Chand And Company Limited	3,940,084	3,225,942									3,940,084	3,225,942
Chhaya Prakashani Private Limited							3,014,607	-			3,014,607	-

Nature of Transactions	Holding Company		Associates		Key Managerial Personnel & their relatives		Companies under Same Management		Directors Substantial Shareholdings		TOTAL	
	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18	30-Sep-19	30-Sep-18
Other Expenses												
S Chand And Company Limited	2,325,162	-										
Short Term Loans and Advances received as at 30th September 2019												
Blackie & Son (Calcutta) Pvt Ltd							8,381,347	7,620,578			8,381,347	7,620,578
S Chand And Company Limited	28,709,433	30,329,047									28,709,433	30,329,047
Safari Digital Education Inititative Pvt. Ltd.							-	1,972,396			-	1,972,396
Long Term Loans and Advances received as at 30th September 2019												
S Chand And Company Limited	78,523,737	71,537,055									78,523,737	71,537,055
Nirja Publishers and Printers Pvt Ltd							30,001,236	27,318,158			30,001,236	27,318,158
Eurasia Publishing House Pvt Ltd							6,045,669	5,508,933			6,045,669	5,508,933
Safari Digital Education Inititative Pvt. Ltd.							58,776,364	64,352,679			58,776,364	64,352,679
Chhaya Prakashani Private Limited							67,599,275	-			67,599,275	-
Short Term Loans and Advances given as at 30th September 2019												
Edutor Technologies I Pvt. Ltd.							4,386,023				4,386,023	-
Trade Payables as at 30th September 2019												
Hotel Tourist									153,197	159,027	153,197	159,027
SC Hotel Tourist Deluxe Pvt Ltd									5,300		5,300	-
Edutor Technologies I Pvt. Ltd.							-	2,771,568			-	2,771,568
Safari Digital Education Inititative Pvt. Ltd.							850,000				850,000	-

Note: All these parties has been identified & certified by management.

MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Flat No.1003, 10th Floor
Kailash Building, K.G. Marg
New Delhi-110001
PH:30487347, 23327345
PAN: AAAPM5122B
e-mail: mk_madaan@yahoo.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To
The Board of Directors,
Safari Digital Education Initiatives Private Limited,
A-27, 2nd Floor, Mohan Co-operative Industrial Estate
New Delhi - 110044

1. We have reviewed the accompanying Statement of Unaudited Financial Results along with the notes thereon, of **Safari Digital Education Initiatives Private Limited,** ("the Company") for the quarter and half year ended September 30, 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.

2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared substantially in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to enquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated above and read with the notes accompanying the Statement and appended below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared substantially in accordance with the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Madan & Associates**
Chartered Accountants
FRN: 000185N

Sd/-
M. K. Madan
Proprietor
Membership number: 082214

Place: New Delhi
Date: November 7, 2019
UDIN: 19082214AAAAES8206

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Balance sheet as at 30 September 2019

(Amount in ₹)

Particulars	Notes	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Assets				
Non-current assets				
Property, plant and equipment	3	18,013,034	20,432,810	21,297,937
Intangible assets	4	216,853,035	169,924,532	-
Right to use Assets	4	63,579,073	-	79,248,036
Intangible assets under development	4	16,027,156	49,058,252	14,094,817
Financial assets				
- Investments	5A	418,645,834	418,645,834	485,915,834
- Loans	5C	113,399,927	108,567,077	106,009,591
Other non-current assets	7	9,013,326	10,358,977	916,884
Deferred tax assets (net)	8	83,295,775	53,615,061	48,835,398
Total non-current assets		**938,827,160**	**830,602,542**	**756,318,497**
Current assets				
Inventories	6	33,679,105	20,410,644	11,817,925
Financial assets				
- Trade receivables	5B	66,603,990	180,411,961	45,966,327
- Loans	5C	8,181,000	8,181,000	22,643,645
- Cash and cash equivalents	5D	3,778,841	569,380	1,333,514
Other current assets	7	30,225,823	28,244,422	45,749,116
Total current assets		**142,468,758**	**237,817,408**	**127,510,527**
Total assets		**1,081,295,919**	**1,068,419,950**	**883,829,026**
Equity and liabilities				
Equity				
Equity share capital	9	443,692,680	443,692,680	443,692,680
Other equity	10	(309,357,561)	(222,587,097)	(141,746,102)
Total equity		**134,335,119**	**221,105,583**	**301,946,578**
Non-current liabilities				
Financial liabilities				
- Borrowings	11	691,226,090	645,174,365	500,555,802
Provisions	14	6,434,507	5,000,625	3,702,849
Other non-current liabilities	15	53,148,967	1,144,483	1,671,889
Deferred tax liabilities (net)	8	-		
Total non current liabilities		**750,809,564**	**651,319,473**	**505,930,540**
Current liabilities				
Financial liabilities				
- Trade payables	12			
Total Outstanding dues of micro and small enterprises		17,813,323	14,419,733	-
Total Outstanding dues of creditors other than micro and small enterprises		146,384,240	161,991,697	58,243,180
- Other financial liabilities	13	14,764,063	13,849,580	12,188,863
Provisions	14	640,095	577,154	-
Other current liabilities	15	16,549,515	5,156,730	5,519,865
Total current liabilities	`	**196,151,236**	**195,994,894**	**75,951,908**
Total equity and liabilities		**1,081,295,919**	**1,068,419,950**	**883,829,026**

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

For Madan & Associates
Chartered Accountants

Sd/-
M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

Place : New Delhi
Date : 07/11/2019

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

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Rajagopalan Chandrashekar
Director
DIN: 03634002

Sd/-
Sheeba Dhamija
Company Secretary
Mem No: A29705

Sd/-
Vinay Sharma
Chief Executive Officer

Sd/-
Dinesh Sharma
Chief Financial officer

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Statement of Profit and Loss for the Period ended 30 September 2019

(Amount in ₹)

	Particulars	Notes	For the Period ended 30 September 2019	For the Year Ended 31 March 2019	For the Period ended 30 September 2018
I	Revenue from Operations	16	10,580,592	175,874,875	10,463,016
II	Other Income	17	13,459,063	27,022,307	11,649,654
III	**Total Income (I+II)**		**24,039,655**	**202,897,182**	**22,112,670**
IV	**Expenses**				
	Purchase of Stock-in-trade	18	26,810,125	82,166,176	13,347,442
	(Increase)/decrease in inventories of finished goods	19	(13,268,462)	(13,841,999)	(5,249,283)
	Employee benefits expense	20	37,797,165	71,057,370	31,419,496
	Finance cost	21	38,660,490	55,420,476	24,809,267
	Depreciation and amortisation expense	22	22,031,970	20,952,632	8,160,079
	Selling & Distribution Expenses	24	15,518,110	44,232,367	17,755,926
	Other expenses	23	12,966,778	45,602,566	16,821,605
	Total expenses		**140,516,176**	**305,589,588**	**107,064,530**
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**(116,476,521)**	**(102,692,406)**	**(84,951,860)**
VI	Provision for dimunition in value of investments	5a	-	67,270,000	
VII	**Profit/(loss) before tax**		**(116,476,521)**	**(169,962,406)**	**(84,951,860)**
VIII	**Tax expense:**				
	Current tax		-		
	Income tax adjustment related to earlier years		-		
	Deferred tax (credit)/ charge		(29,687,304)	(26,926,704)	(22,305,671)
	Total tax expenses		**(29,687,304)**	**(26,926,704)**	**(22,305,671)**
IX	**Profit (Loss) for the period**		**(86,789,217)**	**(143,035,701)**	**(62,646,189)**
X	**Other Comprehensive Income**				
	- Items that will not be reclassified to profit or loss	25			
	Re-measurement gains/(losses) on defined benefit plans		25,342	(407,207)	202,906
	Tax impact on re-measurement gain/ (loss) on defined benefit plans		(6,589)	105,874	(52,756)
XI	**Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(86,770,464)**	**(143,337,034)**	**(62,496,039)**
XII	**Earnings per equity share:**	26			
	(1) Basic		(1.96)	(3.22)	(1.41)
	(2) Diluted		(1.96)	(3.22)	(1.41)

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

For Madan & Associates
Chartered Accountants

Sd/-
M K Madan
Proprietor
M. No. 082214
FR NO. 000185N

Place : New Delhi
Date : 07/11/2019

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

Sd/-
Saurabh Mittal
Director
DIN: 01402533

Sd/-
Rajagopalan Chandrashekar
Director
DIN: 03634002

Sd/-
Sheeba Dhamija
Company Secretary
Mem No: A29705

Sd/-
Vinay Sharma
Chief Executive Officer

Sd/-
Dinesh Sharma
Chief Financial officer

Safari Digital Education Initiatives Pvt. Ltd.
CIN: U80904DL2010PTC204512
Statement of changes in equity for the Period ended 30 September 2019

A Equity share capital:

Equity shares	No. of shares	Amount in Rs.
Issued, subscribed and fully paid up (Share of Rs. 10 each)		
At 31 March 2019	44,369,268	443,692,680
Increase/(decrease) during the year	-	-
At 30 September 2019	44,369,268	443,692,680

B Other equity **(Amount in ₹)**

Particulars	Reserve & Surplus		Total
	ESOPs reserve	Retained earnings	
Balance as at 1st April 2019	-	(222,587,097)	(222,587,097)
Changes in accounting policy / prior period errors	-	-	-
Restated balance at the beginning of the reporting period	-	(222,587,097)	(222,587,097)
Profit for the year	-	(86,789,217)	(86,789,217)
Other comprehensive income for the year	-	18,753	18,753
Total Comprehensive Income for the year	**-**	**(86,770,464)**	**(86,770,464)**
Changes during the year	-	-	-
Balance as at 30th September, 2019	-	(309,357,562)	(309,357,562)

3. **Property, plant and equipment** **(Amount in ₹)**

Particulars	**Furniture & Fixtures**	**Office Equipment**	**Computers & Pheripherals**	**Total**
Gross block				
As at 31 March 2019	**7,257,320**	**16,521,409**	**8,205,838**	**31,984,567**
Additions		20,480	608,030	628,510
Disposals				
As at 30 September 2019	**7,257,320**	**16,541,889**	**8,813,868**	**32,613,077**
Accumulated depreciation				
As at 31 March 2019	**1,782,772**	**6,395,820**	**3,373,165**	**11,551,757**
Charge for the year	344,623	1,863,750	839,911	3,048,285
Deductions				
As at 30 September 2019	**2,127,396**	**8,259,570**	**4,213,076**	**14,600,042**
Net block				
As at 31 March 2019	**5,474,548**	**10,125,589**	**4,832,673**	**20,432,810**
As at 30 September 2019	**5,129,924**	**8,282,319**	**4,600,792**	**18,013,035**

4. **Intangible assets** **(Amount in ₹)**

Particulars	**Intangible Assets**	**Intangible Assets-Software**	**Intangible assets under development**	**Total**
Gross block				
As at 31 March 2019	**193,375,981**	**516,356**	**49,058,252**	**242,950,589**
Purchases/internal development	129,491,261		22,699,078	152,190,339
Disposals/Capitalisation			(55,730,174)	(55,730,174)
As at 30 September 2019	**322,867,242**	**516,356**	**16,027,156**	**339,410,754**
Accumulated depreciation				
As at 31 March 2019	**23,613,668**	**354,136**	**-**	**23,967,805**
Amortization for the year	18,948,055	35,630		18,983,685
Deductions				
As at 30 September 2019	**42,561,723**	**389,767**	**-**	**42,951,490**
Net block				
As at 31 March 2019	**169,762,313**	**162,220**	**49,058,252**	**218,982,784**
As at 30 September 2019	**280,305,519**	**126,589**	**16,027,156**	**296,459,264**

5. Financial Assets (Amount in ₹)

5A. Investments

	Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
a.	**Investments at Transaction cost/amortised cost**			
i.	**Investments in equity shares (Unquoted)**			
	Investments in companies under same management			
	S. Chand Edutech Pvt. Ltd.	210,473	210,473	210,473
	{21,270 (PY 21270) Equity Shares of Rs. 10/- each}			
	Investment in associates			
	Edutor Technologies (India) Pvt. Ltd.	235,827,993	235,827,993	235,827,993
	(20,25,766 (PY 20,25,766) Equity Shares of Rs. 2/- each)			
	Less: Diminution in Investment	(67,270,000)	(67,270,000)	
	Net Investment in Edutor Technologies (India) Pvt. Ltd.	168,557,993	168,557,993	235,827,993
	D S Digital Pvt. Ltd.	136,085,974	136,085,974	136,085,974
	{1,70,37,165 (PY 1,70,37,165) Equity Shares of Rs. 10/- each}			
	Investment in others			
	Gyankosh Solutions Pvt Ltd	7,550	7,550	7,550
	(100 (PY 100) Equity Shares of Rs. 10/- each at a premium of Rs. 65.50 per share, as per Share Purchase Agreement)			
	Testbook Edu Solutions Pvt Ltd	826,551	826,551	826,551
	(100 Equity Shares of Rs. 10/- each at a premium of Rs. 8234/- per share, as per Share Purchase Agreement)			
		305,688,541	**305,688,541**	**372,958,541**
	Investments in preference shares			
	Investment in associates			
	D S Digital Pvt. Ltd.	61,704,000	61,704,000	61,704,000
	(61,70,400 Preference Shares of Rs. 10/- each)			
	Investment in others at Costs			
	Gyankosh Solutions Pvt Ltd	24,152,450	24,152,450	24,152,450
	(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)			
	Testbook Edu Solutions Pvt Ltd	22,234,209	22,234,209	22,234,209
	(2,690 Compulsory Convertible Cumulative Prefrence Shares of Rs. 500/- each at a premium of Rs. 7744/- per share, as per Share Purchase Agreement)			
	Next Door Learning Solutions Pvt Ltd	4,866,635	4,866,635	4,866,635
	(353 Compulsory Convertible Cumulative Prefrence Shares of Rs. 10/- each at a premium of Rs. 13776.50 per share, as per Share Purchase Agreement)			
		112,957,294	**112,957,294**	**112,957,294**
	Net investments	**418,645,834**	**418,645,834**	**485,915,834**
	Current	**-**	-	-
	Non-Current	**418,645,834**	**418,645,834**	**485,915,834**

5B. Trade receivables **(Amount in ₹)**

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Trade receivables			
Unsecured, considered good*	66,603,990	180,411,961	45,966,327
Trade Receivable from Related Party	-		
Doubtful	3,858,205	3,858,205	705,774
	70,462,195	**184,270,166**	**46,672,100**
Less: Allowance for expected credit loss			
Unsecured, considered good	(3,858,205)	(3,858,205)	(705,774)
	(3,858,205)	**(3,858,205)**	**(705,774)**
Net Trade receivables			
Unsecured, considered good	66,603,990	180,411,961	45,966,327
	66,603,990	**180,411,961**	**45,966,327**
Current	**66,603,990**	**180,411,961**	**45,966,327**
Non-Current	**-**	**-**	**-**

* In absence of the confirmation considered good by the management.

5C. Loans **(Amount in ₹)**

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Security deposits - Non Current	5,682,942	5,369,527	4,511,927
Security deposits - Current	-	-	800,000
Loan to JSR Marketing Pvt Ltd **	29,575,817	27,950,796	35,172,590
Loan to Related Parties			
S. Chand Edutech Pvt.Ltd.	25,128,090	24,035,654	21,843,645
D S Digital Pvt. Ltd.	58,776,363	56,766,774	66,325,074
Loan to Employee	2,417,716	2,625,326	
Total Loans and Advances	**121,580,927**	**116,748,077**	**128,653,236**
Current	**8,181,000**	**8,181,000**	**22,643,645**
Non-Current	**113,399,927**	**108,567,077**	**106,009,591**

** Loan from JSR Marketing Pvt Ltd will be recovered in 5 Years.

5D. Cash and cash equivalents **(Amount in ₹)**

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Balances with banks			
- In current accounts	1,257,976	180,109	1,317,791
Cash in hand	2,520,865	389,271	15,723
Total Cash and cash equivalents	**3,778,841**	**569,380**	**1,333,514**

6. **Inventories** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Finished Goods			
Traded Goods*	33,679,105	20,410,642	11,817,926
	33,679,105	**20,410,642**	**11,817,926**
Less : Provision for slow & non moving goods	-	-	
Total Inventories	**33,679,105**	**20,410,642**	**11,817,926**

* As certified by the management.

7. **Other Assets**

7A. **Prepaid expenses** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Prepaid expenses (Non current)	9,013,326	10,358,977	916,884
Prepaid expenses (Current)	2,771,548	2,883,088	696,011
Interest expenses (Non current)	-		
Interest expenses (Current)	-		2,833,870
Total Prepaid expenses	**11,784,874**	**13,242,065**	**4,446,765**

7B. **Other assets** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Advances to Suppliers	437,094	1,660,216	23,072,775
Advances to Employees	632,916	699,781	6,087,787
Balance with Govt Authorities	26,384,265	23,001,337	13,058,673
Total Other assets	**27,454,275**	**25,361,334**	**42,219,235**
Current	**30,225,823**	**28,244,422**	**45,749,116**
Non-Current	**9,013,326**	**10,358,977**	**916,884**

8. **Deferred taxes** (Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Items leading to creation of deferred tax assets			
Impact on account of brought forward losses & depreciation of income tax	91,078,174	58,807,566	52,587,555
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	-		
Provision for doubtful debt & advances	1,003,133	1,003,133	
Others	1,839,397	1,450,223	1,140,044
Provision for dimunition in investment	-		
Total deferred tax assets	**93,920,703**	**61,260,922**	**53,727,599**
Items leading to creation of deferred tax liabilities			
Fixed assets: impact of differences between tax depreciation and depreciation/ amortization charged in the financial statements	(10,624,928)	(7,645,861)	(2,061,624)
Impact of Ind AS adjustments	-		
Total deferred tax liabilities	**(10,624,928)**	**(7,645,861)**	**(2,061,624)**
Net deferred tax assets/(liabilities)	**83,295,775**	**53,615,061**	**51,665,976**

In view of pending merger of Education business (Mylestone) with S Chand And Company Limited (Holding Company) and virtual probability of earning temprorary taxable differences in future, Deferred tax Asset has been recognised.

9. Share Capital

(Amount in ₹)

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Authorised			
4,50,00,000 (31 March 2019: 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 2019: 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 Period

Equity shares	Numbers	Amount in Rs.
As at 1 April 2019	**44,369,268**	**443,692,680**
Increase/(Decrease) during the year	-	-
As at 30 September 2019	**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 2019 (31 March 2018: 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

	30 September 2019 (Rs.)	31 March 2019 (Rs.)	30 September 2018 (Rs.)
S Chand And Company Limited, holding company	265,840,680	265,840,680	265,840,680
Dinesh Kumar Jhunjhnuwala (As nominee of S Chand And Company Limited)	1,000	1,000	1,000
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 31 March 2019	26,584,168	59.92%
As at 30 September 2019	26,584,168	59.92%
Nirja Publishers and Printers Pvt Ltd		
As at 31 March 2019	17,785,000	40.08%
As at 30 September 2019	17,785,000	40.08%

* 100 Equity Shares held by Dinesh Kumar Jhunjhnuwala (As nominee of S Chand And Company Limited)

10. **Other Equity** **(Amount in ₹)**

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Retained earning			
Balance as the Beginning of reporting period	(222,587,097)	(80,395,002)	(80,395,002)
Add: Surplus during the year	(86,770,464)	(142,192,095)	(62,496,039)
Add: Other Comprehensive income			
Balance as the end of reporting period	**(309,357,561)**	**(222,587,097)**	**(142,891,041)**
ESOPs reserve			
Balance as the Beginning of reporting period	-	1,144,939	1,144,939
Increase/(Decrease) during the year	-	(1,144,939)	
Balance as the end of reporting period ©	**-**	**-**	**1,144,939**
Total	**(309,357,561)**	**(222,587,097)**	**(141,746,102)**

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. In View of non excercise of options within the prescribed time Reserves created in earlier years is reversed.

11. **Non-current borrowings** **(Amount in ₹)**

Particulars	As at 30 September 2019	As at 31 March 2019	As at 30 September 2018
Loan from related party			
-Nirja Publishers & Printers Pvt.Ltd. (Note 1)	299,183,246	285,240,869	272,912,501
-S Chand And Company Limited. (Note 2)	167,156,404	159,552,227	125,810,103
-Eurasia Publishing House Pvt Ltd (Note 3)	108,678,722	103,618,607	99,031,497
-Chhaya Prakashani Pvt. Ltd (Note 4)	113,069,813	93,798,080	
Security Deposit Received-Premises	3,137,905	2,964,582	2,801,701
(from S Chand And Company Limited -Holding Company)			
Total Non-current borrowings	**691,226,090**	**645,174,365**	**500,555,802**
Secured	**-**	**-**	**-**
Unsecured	**691,226,090**	**645,174,365**	**500,555,802**

1 Optionally Convertible loan amount Rs. 28,52,40,867/- (PY - Rs. 20,12,00,000/-) & Interest amount Rs. 139,42,376/- (PY - Rs. 8,40,40,869/-)

2 Optionally Convertible loan amount Rs. 15,45,93,892/- (PY - Rs. 14,99,40,000/-) & Interest amount Rs. 125,62,512/- (PY - Rs.96,12,227/-)

3 Optionally Convertible loan amount Rs. 10,43,74,727/- (PY - Rs. 8,25,60,000/-) & Interest amount Rs. 43,03,995/- (PY - Rs. 2,10,58,607/-)

4 Optionally Convertible loan amount Rs. 10,55,00,000/- (PY - Rs 9,10,00,000/-) & Interest amount Rs. 75,69,813/- (PY - Rs. 27,98,080/-)

12. **Trade payables** (Amount in ₹)

Particulars	**As at 30 September 2019**	**As at 31 March 2019**	**As at 30 September 2018**
Trade payables of micro enterprises and small enterprises	17,813,323	14,419,733	
Trade payables of related entities	141,084,334	149,759,394	45,241,544
Trade payables other than micro enterprises and small enterprises	5,299,906	12,232,303	13,001,636
Total Trade payables	**164,197,563**	**176,411,430**	**58,243,180**
Current	**164,197,563**	**176,411,430**	**58,243,180**
Non-Current	**-**	**-**	**-**

13. **Other financial liabilities** (Amount in ₹)

Particulars	**As at 30 September 2019**	**As at 31 March 2019**	**As at 30 September 2018**
Expenses payable	14,764,063	13,849,580	12,188,863
Total other financial liabilities	**14,764,063**	**13,849,580**	**12,188,863**
Current	**14,764,063**	**13,849,580**	**12,188,863**
Non current	**-**	**-**	**-**

14. **Provisions** (Amount in ₹)

Particulars	**As at 30 September 2019**	**As at 31 March 2019**	**As at 30 September 2018**
Provision for gratuity	3,161,159	2,559,643	1,557,027
Provision for leave encashment	3,913,443	3,018,136	2,145,822
Total provisions	**7,074,602**	**5,577,779**	**3,702,849**
Current	**640,095**	**577,154**	
Non current	**6,434,507**	**5,000,625**	**3,702,849**

15. **Other liabilities** (Amount in ₹)

Particulars	**As at 30 September 2019**	**As at 31 March 2019**	**As at 30 September 2018**
Statutory dues	1,867,738	4,015,386	3,147,302
Advance from customers	1,561,039	789,418	2,372,563
Other liabilities	66,269,704	1,496,409	1,671,889
Total other liabilities	**69,698,481**	**6,301,213**	**7,191,754**
Current	**16,549,515**	**5,156,730**	**5,519,865**
Non current	**53,148,967**	**1,144,483**	**1,671,889**

16. **Revenue from operations** (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Sale of products			
- Curriculum Books Sales	(8,317,172)	147,238,224	(4,888,029)
Sale of services		-	
- E- Book Sale *	3,141,523	5,979,006	2,149,928
- Digital Data Management Services	6,000,000	12,000,000	6,000,000
- Training Income	60,505	3,110,491	(277,382)
- License Fee	9,695,736	7,478,499	7,478,499
Other operating income			
Scrap sale	-	68,655	-
Total revenue from operations	**10,580,592**	**175,874,875**	**10,463,016**

* As certified by management

17. **Other incomes** (Amount in ₹)

Income from rent	6,348,000	12,282,000	5,520,000
Income from maintenance	386,087	707,826	350,988
Interest income	4,379,960	8,872,090	3,220,524
Fair value gain on financial instrument	2,345,016	5,160,391	2,558,142
Total other income	**13,459,063**	**27,022,307**	**11,649,654**

18. **Purchase of stock-in-trade** (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Books purchase	21,040,594	75,695,416	8,381,190
E Books purchase	2,637,531	4,769,281	1,698,043
Adobe License	3,132,000	1,701,479	3,268,209
	26,810,125	**82,166,176**	**13,347,442**

19 **(Increase)/decrease in inventories** (Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Inventories at the end of the period			
Trade Items	33,679,105	20,410,642	11,817,926
	33,679,105	**20,410,642**	**11,817,926**
Inventories at the beginning of the year			
Trade Items	20,410,643	6,568,643	6,568,643
	20,410,643	**6,568,643**	**6,568,643**
(Increase)/decrease in inventories	**(13,268,462)**	**(13,841,999)**	**(5,249,283)**

20. **Employee benefits expenses** **(Amount in ₹)**

Particulars	**For the period ended 30 September 2019**	**For the year ended 31 March 2019**	**For the period ended 30 September 2018**
Salaries, wages and bonus	34,678,456	66,709,312	29,648,198
Contribution to provident and other funds	1,283,154	2,270,862	1,060,230
Gratuity expenses	652,200	785,007	392,504
Leave encashment	1,120,762	1,212,652	318,564
Staff welfare expenses	62,593	79,537	
Total employee benefits expenses	**37,797,165**	**71,057,370**	**31,419,496**

21. **Finance cost** **(Amount in ₹)**

Particulars	**For the period ended 30 September 2019**	**For the year ended 31 March 2019**	**For the period ended 30 September 2018**
Interest expense	38,653,559	55,383,524	24,799,304
Bank charges	6,931	36,952	9,963
Total finance cost	**38,660,490**	**55,420,476**	**24,809,267**

22. **Depreciation and amortisation expneses** **(Amount in ₹)**

Particulars	**For the period ended 30 September 2019**	**For the year ended 31 March 2019**	**For the period ended 30 September 2018**
Depreciation of property, plant & equipement	3,048,285	7,326,448	3,484,060
Amortisation of intangible assets	18,983,685	13,626,184	4,676,019
Total depreciation and amortisation expneses	**22,031,970**	**20,952,632**	**8,160,079**

23. **Other expenses** **(Amount in ₹)**

Particulars	**For the period ended 30 September 2019**	**For the year ended 31 March 2019**	**For the period ended 30 September 2018**
Repairs & maintenance- others	804,331	1,523,918	811,448
Legal & professional fees	1,324,070	2,843,168	1,248,035
Payment to auditors	125,000	250,000	112,500
Internet & telephone Exps	474,795	1,065,003	538,090
Office expenses	459,755	643,604	824,284
Books & subscriptions	31,972	171,743	90,503
Power & electricity	572,104	1,245,170	563,232
Consultancy charges	177,926	396,116	195,124
Exchange fluctuation difference	12,960	(13,274)	(15,883)
Rent	-	18,163,480	9,533,747
Rate & taxes	28,269	92,660	7,685
Bad debts	86,142	344,022	735,774
Provision for doubtful debts	-	3,858,205	
Insurance expenses	112	167,409	
Fair value loss on financial instrument	1,518,973	4,032,723	1,996,370
Miscellaneous expenses	7,350,369	10,818,620	180,696
Total other expenses	**12,966,778**	**45,602,566**	**16,821,605**

24 Selling & distribution expenses

(Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Advertisement expenses	535,418	1,369,281	590,755
Sales promotion	1,708,793	9,620,432	4,414,454
Travelling & boarding & conveyance expenses	11,605,224	30,272,279	12,477,967
Courier & Transportation charges	1,668,675	2,970,374	272,750
Total selling & distribution expenses	**15,518,110**	**44,232,367**	**17,755,926**

Payment to auditor

(Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
As auditor			
Audit fee	100,000	200,000	100,000
Tax advisory services	25,000	50,000	12,500
Out of pocket expenses	-		
	125,000	**250,000**	**112,500**

25. Components of Other Comprehensive Income (OCI)

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

During the Period ended 30 September 2019

(Amount in ₹)

Particulars	Retained earnings
Re-measurment gains/(losses) on defined benefit plans	25,342
Tax impact on re-measurement gains/(losses) on defined benefit plans	(6,589)
	18,753

26 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

(Amount in ₹)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019	For the period ended 30 September 2018
Profit attributable to equity holders of the company	(86,789,217)	(143,035,701)	(59,815,612)
Weighted average number of equity shares used for computing Earning per Share (Basic & Diluted)	44,369,268	44,369,268	44,369,268
Basic EPS	(1.96)	(3.22)	(1.35)
Diluted DPS	(1.96)	(3.22)	(1.35)
Face Value Per Share	10	10	10

27. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

Holding Company	S Chand And Company Limited
Associate Companies / Firms	DS Digital Pvt. Ltd.
	Edutor Technologies (India) Pvt. Ltd.
Companies under same Management	Nirja Publishers & Printers Pvt. Ltd.
	Chhaya Prakashani Pvt. Ltd.
	S. Chand Edutech 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. Sharad Talwar, Independent Director
	Mr. Rajagopalan Chandrashekar, Independent Director
	Mr. Vinay Sharma, Chief Executive Officer
	Mr. Dinesh Sharma, Chief Financial Officer
	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 ₹)

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
(A) Transactions												
Sale of Digital & Printed Books												
Edutor Technologies (India) Pvt. Ltd.					59,988	115,889					**59,988**	**115,889**
QR Code Development Services/Adobe Licence Fee												
S Chand And Company Limited	2,389,032	3,050,596									**2,389,032**	**3,050,596**
Madhubun (Vikas Publishing House Pvt. Ltd.)									2,064,864	947,782	**2,064,864**	**947,782**
New Saraswati House (India) Pvt. Ltd.									3,119,241	3,480,121	**3,119,241**	**3,480,121**
S. Chand Edutech Pvt. Ltd.									266,507		**266,507**	**-**
D.S Digital Pvt. Ltd.					1,856,092						**1,856,092**	**-**
Data Management Services												
Vikas Publishing House Pvt. Ltd.									3,000,000	3,000,000	**3,000,000**	**3,000,000**
New Saraswati House (India) Pvt. Ltd.									3,000,000	3,000,000	**3,000,000**	**3,000,000**

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
Premises Rent Received												
S Chand And Company Limited	6,348,000	5,520,000									**6,348,000**	**5,520,000**
Puchase of E Books, Printed Books and Digital Content												
S Chand And Company Limited	1,225,978	1,144,863									**1,225,978**	**1,144,863**
Vikas Publishing House Pvt. Ltd.									7,161,564	3,789,188	**7,161,564**	**3,789,188**
New Saraswati House (India) Pvt. Ltd.									101,110	52,637	**101,110**	**52,637**
BPI (India) Pvt. Ltd.									39,907	51,407	**39,907**	**51,407**
Management Shared Services												
S Chand And Company Limited	2,345,104										**2,345,104**	**-**
App Development Support Service Received												
Edutor Technologies (India) Pvt. Ltd.					2,500,000	2,974,456					**2,500,000**	**2,974,456**
Interest Income on Loans and Advances Given												
DS Digital Pvt. Ltd.					3,216,000	3,216,000					**3,216,000**	**3,216,000**
S. Chand Edutech Pvt. Ltd.									1,213,818	-	**1,213,818**	**-**
Interest Expense on Loan and Advances Received												
S Chand And Company Limited	8,449,084	4,991,982									**8,449,084**	**4,991,982**
Nirja Publishers & Printers Pvt. Ltd.									15,773,527	14,522,052	**15,773,527**	**14,522,052**
Chhaya Prakashani Pvt. Ltd.									5,301,925		**5,301,925**	**-**
Eurasia Publishing House Pvt. Ltd.									5,622,352	5,239,507	**5,622,352**	**5,239,507**
Maintenance Income												
S Chand And Company Limited	386,087	350,988									**386,087**	**350,988**
Reimbursement for Electricity												
S Chand And Company Limited	598,765	501,928									**598,765**	**501,928**
Reimbursement of Travel, Filing Fee &Subscriptions												
S Chand And Company Limited	-	26,000									**-**	**26,000**
Salary, Perks and Allowances												
Sheeba Dhamija								150,000			**-**	**150,000**

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
Vinay Sharma							6,257,281	6,257,281			**6,257,281**	**6,257,281**
Dinesh Sharma							1,016,109	1,016,109			**1,016,109**	**1,016,109**
<u>Director Sitting Fees</u>												
Sharad Talwar						25,000	100,000				**100,000**	**25,000**
Rajagopalan Chan-drashekar						25,000	75,000				**75,000**	**25,000**
Loans and Advances Received												
S Chand And Company Limited	-	40,000,000									**-**	**40,000,000**
Nirja Publishers & Printers Pvt. Ltd.									-	-	**-**	**-**
Eurasia Publishing House Pvt. Ltd.									-	-	**-**	**-**
Chhaya Prakashani Pvt. Ltd.									14,500,000	-	**14,500,000**	**-**
(B) Outstanding balances at the Period 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 30th September 2019												
DS Digital Pvt. Ltd.					58,776,363	66,325,074					**58,776,363**	**66,325,074**
S. Chand Edutech Pvt. Ltd.									25,128,090	21,843,645	**25,128,090**	**21,843,645**
Trade Receivables as at 30th September 2019												
Edutor Technologies (India) Pvt. Ltd.					56,280	916,622					**56,280**	**916,622**
New Saraswati House (India) Pvt. Ltd.									4,211,690	3,338,533	**4,211,690**	**3,338,533**
S Chand And Company Limited	759,590										**759,590**	**-**
DS Digital Pvt. Ltd.					850,000						**850,000**	**-**
Trade Payables as at 30th September 2019												
Vikas Publishing House Pvt. Ltd.									63,101,346	36,712,053	**63,101,346**	**36,712,053**
New Saraswati House (India) Pvt. Ltd.						-			61,000,000		**61,000,000**	**-**
S Chand And Company Limited	16,961,118	7,960,772									**16,961,118**	**7,960,772**
BPI (India) Pvt. Ltd.									21,870	69,063	**21,870**	**69,063**
Edutor Technologies (India) Pvt. Ltd.					-	499,656					**-**	**499,656**
Investments made as at 30th September 2019												

Particulars	Holding Company		Subsidiaries		Associates		Key management personnel or their relatives		Companies under Same Management		Total	
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
DS Digital Pvt. Ltd.					197,789,974	197,789,974					**197,789,974**	**197,789,974**
S. Chand Edutech Pvt. Ltd.									210,473	210,473	**210,473**	**210,473**
Edutor Technologies (India) Pvt. Ltd.					168,557,993	235,827,993					**168,557,993**	**235,827,993**
Long Term Borrowings as at 30th September 2019												
S Chand And Company Limited	167,156,404	125,810,103									**167,156,404**	**125,810,103**
Nirja Publishers & Printers Pvt. Ltd.									299,183,246	272,912,501	**299,183,246**	**272,912,501**
Eurasia Publishing House Pvt. Ltd.									108,678,722	99,031,497	**108,678,722**	**99,031,497**
Chhaya Prakashani Pvt. Ltd.									113,069,813		**113,069,813**	**-**

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

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

Review Report to
The Board of Directors
S Chand and Company Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of S Chand And Company Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended (the "Listing Regulations").

2. This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement .

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

Sd/-
per Sanjay Bachchani
Partner
Membership No.: 400419
UDIN: 19400419AAAAIB8448

New Delhi
November 12, 2019

S Chand And Company Limited
Unaudited Balance Sheet as at 30 September 2019
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 30 September 2019
Assets		
Non-current assets		
Property, plant and equipment	3	82.77
Intangible assets	4	379.65
Capital work-in-progress		46.34
Intangible assets under development		15.22
Financial assets		
- Investments	5A	6,086.43
- Loans	5F	354.86
- Other financial assets	5E	4.62
Deferred tax assets (net)	8	321.77
Other non-current assets	7-7E	112.16
Total non-current assets		**7,403.82**
Current assets		
Inventories	6	713.12
Financial assets		
- Investments	5B	27.27
- Loans	5F	117.95
- Trade receivables	5C	1,112.12
- Cash and cash equivalents	5D	18.43
- Other financial assets	5E	9.66
Other current assets	7-7E	64.99
Total current assets		**2,063.54**
Total assets		**9,467.36**
Equity and liabilities		
Equity		
Equity share capital	9	174.88
Other equity		
- Retained earnings	10	1,094.16
- Other reserves	10	6,617.36
Total equity		**7,886.40**
Non-current liabilities		
Financial liabilities		
- Borrowings	12A	454.25
- Other financial liabilities	14	76.43
Net employee defined benefit liabilities	16	15.31
Other non-current liabilities	15	-
Total non-current liabilities		**545.99**
Current liabilities		
Financial liabilities		
- Borrowings	12B	535.28
- Trade payables	13	
Micro enterprises and small enterprises		-
Other than micro enterprises and small enterprises		266.76
- Other financial liabilities	14	201.00
Other current liabilities	15	31.84
Other provisions	17	0.09
Total current liabilities		**1,034.97**
Total equity and liabilities		**9,467.36**

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

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
Membership No.: A15028

Place : New Delhi
Date : 12th November 2019

S Chand And Company Limited
Unaudited Statement of Profit and Loss for the period ended 30 September 2019
CIN: L22219DL1970PLC005400

(₹ in millions)

		Notes	For six months period ended 30 Sep 2019
I	Revenue from operations	18	299.22
II	Other income	19	80.46
III	**Total Income**		**379.69**
IV	**Expenses**		
	Cost of published goods/material consumed	20	85.04
	Purchase of traded goods	21	11.65
	(Increase)/decrease in inventories of finished goods and work in progress	22	49.69
	Publication expense	23	33.41
	Selling and distribution expense	24	74.70
	Employee benefits expense	25	225.79
	Finance costs	28	80.58
	Depreciation and amortization expense	26	34.55
	Other expenses	27	210.40
	Total expenses		**805.82**
V	**(Loss)/profit before exceptional item and tax**		**(426.13)**
	Execeptional items	28.A	-
VI	**(Loss)/profit before tax**		**(426.13)**
VII	**Tax expense:**		
	Current tax	29	-
	Income tax adjustment related to earlier years		-
	Deferred tax (credit)/ charge		(85.32)
	Total tax expense		**(85.32)**
VIII	**(Loss)/profit for the year (VI-VII)**		**(340.81)**
IX	**Other Comprehensive Income**	30	
	- Items that will not be reclassified to profit or loss		
	Re-measurement gains/(losses) on defined benefit plans		(2.07)
	Income tax effect		0.60
X	**Total Comprehensive Income for the year (VIII - IX)**		**(342.28)**
XI	**Earnings per equity share:**		
	(1) Basic	31	(9.74)
	(2) Diluted		(9.74)

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

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
Membership No.: A15028

Place : New Delhi
Date : 12th November 2019

S Chand And Company Limited
Unaudited Statement of Cash Flow for the period ended 30 September 2019
CIN: L22219DL1970PLC005400

(₹ in millions)

Particulars	**Six months ended September 30, 2019**
	Un-audited
A. Cash flow from operating activities	
Loss before exceptional items and tax	**(426.13)**
Adjustment to reconcile profit before tax to net cash flows	**-**
Depreciation and amortisation expense	34.55
Unrealised foreign exchange (net) loss	(0.31)
Net gain on sale of current investments	(1.43)
Loss/(gain) on sale of fixed assets (net)	(1.06)
Provision for expected credit loss	100.38
Interest expense	78.59
Interest income	(39.13)
Fair value gain on financial instruments at fair value through profit or loss	(0.51)
Income tax refund	(1.31)
Interest Income on securities measured at amortised cost	-
Provision for diminution in value of investments	-
Employee Stock option expense	0.49
Others	(0.49)
Operating loss before working capital changes	**(256.36)**
Movements in working capital:	
(Decrease) / Increase in Trade Payables	(538.90)
Decrease / (Increase) in other financial assets	0.23
(Decrease) / Increase in liabilities	(72.50)
(Decrease) / Increase in provisions	1.05
Decrease/(increase) in Inventories	85.59
Decrease/(increase) in Trade receivables	754.53
Decrease / (Increase) in other current assets	(31.50)
Decrease (/ Increase) in loans and advances	32.38
Cash used in operations	(25.48)
Direct taxes paid (net of refunds)	(4.93)
Net cash used in operating activities (A)	**(30.41)**
B. Cash flows from investing activities	
Purchase of fixed assets including capital advance, capital creditors and capital work in progress	(57.05)
(Purchase) /Sale of non-current investments	-
(Purchase) / Sale of current investments	(30.88)
Proceeds from sale of current investments	38.57
Proceeds from sale of fixed assets	12.43
Interest received	39.13
Loans to Related Parties	198.26
Net cash flow used in investing activities (B)	**200.46**
C. Cash flows from financing activities	
Dividend paid on equity shares	-
Tax on equity dividend paid	-
Interest paid on borrowings	(80.04)
Proceed (Repayment) of long term borrowings	(207.56)
Proceed (Repayment) of Current borrowings	(84.52)
Payment of Lease Liabilities	(17.49)

Particulars	Six months ended September 30, 2019 Un-audited
Net cash flow from/ (used in) financing activities (C)	**(389.61)**
Net (decrease) in cash and cash equivalents (A+B+C)	**(219.56)**
Cash and cash equivalents at the beginning of the period/year	237.99
Cash and cash equivalents at the end of the period/year	**18.43**
Components of cash and cash equivalents	
Balances with banks:	
-On current accounts	7.94
-Cheques in hand	10.01
-Deposits with original maturity of less than three months	-
Cash on hand	0.48
Total cash and cash equivalents	**18.43**

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

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
Membership No.: A15028

Place : New Delhi
Date : 12th November 2019

S Chand And Company Limited
Statement of Changes in Equity for the period ended 30 September 2019
CIN: L22219DL1970PLC005400

A. Equity share capital:

Issued, subscribed and fully paid up	No. of shares	₹ in millions
As at March 31, 2018	**34,975,287**	**174.88**
Issued during the year	-	-
As at March 31, 2019	**34,975,287**	**174.88**
Issued during the year	-	-
As at September 30, 2019	**34,975,287**	**174.88**

B Other equity (₹ in millions)

	Reserve & Surplus				Total
	Retained earnings	Capital reserve	Security premium	ESOP outstandings	
As at March 31, 2018	**1,810.60**	**0.51**	**6,606.35**	**7.90**	**8,425.36**
Profit for the year	(310.24)	-	-	-	**(310.24)**
Other comprehensive income for the year	(0.69)	-	-	-	**(0.69)**
Total Comprehensive Income for the year	**(310.93)**	**-**	**-**	**-**	**(310.93)**
Share based payments	**-**	**-**	**-**	2.10	**2.10**
Final equity dividend	(52.46)	**-**	**-**	**-**	**(52.46)**
Dividend distribution tax	(10.78)	**-**	**-**	**-**	**(10.78)**
As at March 31, 2019	**1,436.44**	**0.51**	**6,606.35**	**10.00**	**8,053.30**
Profit for the year	(340.81)	-	-	-	**(340.81)**
Other comprehensive income for the year	(1.47)	-	-	-	**(1.47)**
Total Comprehensive Income for the year	**(342.28)**	**-**	**-**	**-**	**(342.28)**
Share based payments	-	-	-	0.49	**0.49**
Final equity dividend	-	-	-	-	**-**
Dividend distribution tax	-	-	-	-	**-**
As at September 30, 2019	**1,094.16**	**0.51**	**6,606.35**	**10.49**	**7,711.52**

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

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

Sd/-
Himanshu Gupta
Managing Director
DIN: 00054015

Sd/-
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Sd/-
Saurabh Mittal
Chief Financial Officer

Sd/-
Jagdeep Singh
Company Secretary
Membership No.: A15028

Place : New Delhi
Date : 12th November 2019

3. Property, plant and equipment **(₹ in millions)**

	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles*	Leasehold improvement	Computers	Land	Building	Total
As at 31 March 2019	**15.44**	**16.63**	**19.36**	**62.64**	**11.23**	**16.08**	**98.72**	**13.99**	**254.09**
Additions	**0.36**	1.04	0.27	-	-	0.06	-	-	1.73
Disposals	(2.50)	(2.97)	(3.20)	(12.34)	(3.52)	(2.16)	(98.72)	-	(125.42)
As at 30 September 2019	**13.30**	**14.69**	**16.43**	**50.30**	**7.71**	**13.98**	**-**	**13.99**	**130.40**
Accumulated depreciation									
As at 31 March 2019	**3.82**	**9.63**	**8.77**	**19.99**	**5.78**	**7.71**	**-**	**-**	**55.70**
Charge for the year	0.46	1.06	0.84	2.55	1.03	1.08	-	0.23	7.27
Disposals	(0.95)	(2.18)	(1.97)	(5.42)	(3.12)	(1.70)	-	-	(15.33)
As at 30 September 2019	**3.34**	**8.52**	**7.65**	**17.12**	**3.69**	**7.10**	**-**	**0.23**	**47.64**
Net block									
As at 31 March 2019	**11.62**	**7.00**	**10.59**	**42.65**	**5.45**	**8.37**	**98.72**	**13.99**	**198.39**
As at 30 September 2019	**9.97**	**6.18**	**8.77**	**33.18**	**4.02**	**6.88**	**-**	**13.75**	**82.77**

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

Particulars	**(₹ in millions)**
Depreciation as per written down value method	30.02
Depreciation as per straight line method	-13.44
Profit for previous year increased by	**43.46**

**The carrying value of vehicles held under finance leases contracts at 31 March 2019 was ₹ 24.20 millions (31 March 2018: ₹ 21.54 millions). Additions during the year include ₹13.65 millions (31 March 2018: ₹ 10.92 millions) of property, plant and equipment under finance leases contracts. Leased assets are pledged as security for the related finance leases.

4. Intangible assets **(₹ in millions)**

	Land (RTU)	Plant, property & equipment (RTU)	Trade mark	Goodwill	Computer software	Copy-right	Content development	Total
As at 31 March 2019	**-**	**-**	**0.12**	**23.83**	**54.26**	**24.90**	**141.51**	**244.61**
Purchase	98.72	126.01	-	-	-	-	-	224.72
Disposals	-	-	-	-	-	-	-	-
As at 30 September 2019	**98.72**	**126.01**	**0.12**	**23.83**	**54.26**	**24.90**	**141.51**	**469.33**
Accumulated depreciation								
As at 31 March 2019	-	-	0.01	**-**	**29.41**	**11.65**	**21.35**	**62.40**
Amortization for the year	0.86	14.20	0.01	-	3.05	2.11	7.06	27.28
Disposals	-	-	-	-	-	-	-	-
As at 30 September 2019	**0.86**	**14.20**	**0.02**	**-**	**32.46**	**13.76**	**28.41**	**89.68**
Net block								
As at 31 March 2019	**-**	**-**	**0.11**	**23.83**	**24.85**	**13.25**	**120.16**	**182.21**
As at 30 September 2019	**97.85**	**111.81**	**0.10**	**23.83**	**21.80**	**11.14**	**113.10**	**379.65**

Impairment testing of goodwill

The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

5. **Financial assets**

5A.Non-current investments

	(₹ in millions)
	As at 30 September 2019
Investment in unquoted equity shares, valued at cost	
Investment in subsidiaries	
149 (31 March 2019: 149) shares of ₹ 1,000 each fully paid up in M/s Blackie & Son (Calcutta) Private Limited	62.79
12,000 (31 March 2019: 12,000) shares of ₹ 10 each fully paid up in M/s Nirja Publishers & Printers Private Limited	17.04
26,584,168 (31 March 2019: 26,584,168) shares of ₹ 10 each fully paid up in M/s Safari Digital Education Initiatives Private Limited	268.19
106 (31 March 2019: 106) shares of ₹ 1,000 each fully paid up in M/s Eurasia Publishing House Private Limited	116.05
39,339 (31 March 2019: 39,339) shares of ₹ 100 each fully paid up in M/s Vikas Publishing House Private Limited	1,518.85
22,336 (31 March 2019: 22,336) shares of ₹ 10 each fully paid up in M/s New Saraswati House (India) Private Limited	1,426.84
17,686,750 (31 March 2019: 17,686,750) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	142.78
103,102 (31 March 2019: 103,102) shares of ₹ 100 each fully paid up in M/s Chhaya Prakashani Private Limited (*)	1,657.04
3,995,250 (31 March 2019: 3,995,250) shares of ₹ 10 each fully paid up in M/s S Chand Edutech Private Limited	39.95
Less : Impairment of investment in DS Digital Private Limited	(50.00)
	5,199.54
Investment in associate	
50 (31 March 2019: 50) share of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	0.52
	0.52
Investment in unquoted preference shares	
Investment in subsidiaries	
16,000,000 (31 March 2019: 16,000,000) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	160.00
	160.00
Investment in unquoted equity shares	
Investment in others	
1,600 (31 March 2019: 1,600) shares of ₹ 37.14 each fully paid up in M/s Essar Gujrat Limited	-
4,200 (31 March 2019: 4,200) 6% shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	-
	-
Investment in associate	
5,414 (31 March 2019: 5,414) 0.001% compulsorily convertible cumulative shares of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	21.10
	21.10
Investment in debentures	
Investment in subsidiaries	
6,916 (31 March 2019: 6916) 2% optionally convertible redeemable debentures of ₹ 100,000 each fully paid up in Eurasia Publishing House Private Limited	705.28
	705.28
Investments at fair value through profit and loss	
Investment in debentures	
Investment in others	
100 (31 March 2019: 100) redeemable non-convertible debentures of ₹ 60 each fully paid up in Motor and General Finance Limited	
	-
Total	**6,086.43**
Aggregate value of unquoted investments	**6,086.43**
Aggregate value of impairment in value of investments	**50.07**

5B. Current investments (₹ in millions)

	As at 30 September 2019
Investment at fair value through profit and loss	
Investment in equity shares (unquoted)	
15,880 (31 March 2019: 15,880) shares of ₹ 10 each fully paid up in M/s Sistema Shyam Teleservices Limited	-
1,000 (31 March 2019: 1,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-
	-
Investment valued at fair value through profit and loss	
Investment in equity instruments (quoted)	
1,000 (31 March 2019: 1,000) shares of ₹ 10 each fully paid up in M/s Freshtop Fruits Limited	0.10
42,564 (31 March 2019: 42,564) shares of ₹ 10 each fully paid up in M/s Mahaan Foods Limited	0.57
10,457 (31 March 2019: 10,457) shares of ₹ 1 each fully paid up in M/s Pentamedia Graphics Limited	0.00
2,000 (31 March 2019: 2,000) shares of ₹ 10 each fully paid up in M/s Vardhman Concrete Limited	-
100 (31 March 2019: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited	0.03
100 (31 March 2019: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	0.03
	0.72
Investment valued at amortised cost model	
Investment in preference shares (unquoted)	
512,500 (31 March 2019: 512,500) redeemable shares of ₹ 10 each fully paid up in M/s Walldorf Integration Solutions Limited	-
	-
Investment valued at fair value through profit and loss	
Investment in mutual funds (quoted)	
89,039 (31 March 2019: 89,039) units in Principal Monthly Income Plan - Dividend Reinvestment	1.09
32,387 (31 March 2019: 32,387) units in HDFC Liquid Fund - Regular Plan Growth option	25.46
	26.55
Total	**27.27**
Aggregate book value of quoted investments	27.27
Aggregate market value of quoted investments	27.27
Aggregate value of unquoted investments	-
Aggregate value of impairment in value of investments	-

5C. Trade receivables (₹ in millions)

	As at 30 September 2019
Trade receivables	
Secured, considered good	
Unsecured, considered good	1,112.12
Receivable which have significant increase in credit risk	270.93
Receivable credit impaired	-
	1,383.05
Less; Allowance for expected credit loss	
Secured, considered good	-
Unsecured, considered good	-

	As at 30 September 2019
Receivable which have significant increase in credit risk	(270.93)
Receivable credit impaired	
	(270.93)
Secured, considered good	-
Unsecured, considered good	1,112.12
Receivable which have significant increase in credit risk	-
Receivable credit impaired	-
	1,112.12
Trade receivables from related parties	50.31
Current	**1,112.12**
Non-current	**-**

The movement in impairment of trade receivables as follow:

	As at 30 September 2019
Opening balance	184.14
Additions	100.69
Write off (net of recovery)	-13.89
Closing balance	**270.93**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

5D. Cash and cash equivalents **(₹ in millions)**

	As at 30 September 2019
Balances with banks:	
-On current accounts	7.94
-Cheques in hand	10.01
-Deposits with original maturity of less than three months	-
Cash on hand	0.48
Total	**18.43**

5E. Other Financial Assets **(₹ in millions)**

	As at 30 September 2019
Deposits with original maturity for more than 3 months but less than 12 months	9.02
Deposits with original maturity for more than 12 months	2.19
Interest accrued but not due on fixed deposits (on short term deposits)	0.56
Interest accrued but not due on fixed deposits (on long term deposits)	2.32
Interest accrued	-
Restricted cash*	0.09
Margin money**	0.11
Total	**14.28**
Current	**9.66**
Non current	**4.62**

*Restricted cash represent earmarked balance for dividend payouts.

**Margin money deposit with a carrying amount of ₹0.11 million (31 March 2019: ₹ 0.11) has been deposited with sales tax department.

5F. Loans (₹ in millions)

	As at 30 September 2019
Security deposits - non current	28.73
Security deposits - current	0.18
Loans related parties - non current	326.13
Loans related parties - current	117.77
Total loans	**472.81**
Break-up for security details	
Considered good - Secured	-
Considered good - Unsecured	443.90
Recoverable which have significant increase in credit risk	-
Receivables - credit impaired	-
	443.90
Current	**117.95**
Non current	**354.86**

6. Inventories (₹ in millions)

	As at 30 September 2019
Raw materials (at cost)	57.05
Finished goods (at lower of cost and net realisable value)	653.53
Finished goods-traded goods (at lower of cost and net realisable value)	2.54
Total	**713.12**

7. Other assets (₹ in millions)

7A. Capital advances

	As at 30 September 2019
Unsecured, considered good.	3.65
Total	**3.65**

7B. Other advances (₹ in millions)

	As at 30 September 2019
Unsecured, considered good.	47.87
Total	**47.87**

7C. Prepaid expenses (₹ in millions)

	As at 30 September 2019
Prepaid expenses - current	10.34
Prepaid expenses - non-current	5.88
Total	**16.22**

7D. Balance with statutory authorities

(₹ in millions)

	As at 30 September 2019
Unsecured, considered good	3.12
Total	**3.12**

7E. Other assets

(₹ in millions)

	As at 30 September 2019
Advance income-tax (net of provision for taxation)	106.28
Ancillary cost of arranging the borrowings -unamortised cost - current	-
Ancillary cost of arranging the borrowings -unamortised cost - non current	-
Total	**106.28**
Current	**64.99**
Non current	**112.16**

8. Deferred taxes

(₹ in millions)

	As at 30 September 2019
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	7.84
Provision for doubtful debt & advances	65.59
Provision for diminution in value of investments	17.47
Impact of Business Loss to carry forward in next years	158.60
Total deferred tax assets	**249.50**
Items leading to creation of deferred tax liabilities	
Fixed assets: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	13.51
Investment: Impact of fair value gain on current Investment	(85.78)
Total deferred tax liabilities	**(72.27)**
Net deferred tax assets	**321.77**

9. Share capital

(₹ in millions)

	As at 30 September 2019
Authorised	
40,000,000 (31 March 2019: 40,000,000) equity shares of ₹ 5/- each (31 March 2019: equity shares of ₹ 5 each)	200.00
Issued, subscribed and fully paid equity capital	
34,975,287 (31 March 2019: 34,975,287) equity shares of ₹ 5/- each (31 March 2019: equity shares of ₹ 5 each)	174.88
	174.88

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

Authorised share capital	**No. of shares**	**₹ in millions**
As at 31 March 2019	**40,000,000**	**200.00**
Increase/(decrease) during the year	**-**	**-**
As at 30 September 2019	**40,000,000**	**200.00**
Issued equity capital	**No. of shares**	**₹ in millions**
Equity share of ₹ 5/- each issued, subscribed and fully paid (31 March 2018: Equity share of ₹ 5 each)		
As at 31 March 2019	**34,975,287**	**174.88**
Issued during the year	**-**	**-**
As at 30 September 2019	**34,975,287**	**174.88**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share (31 March 2019: ₹ 5 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

	As at 30 September 2019	
	No. of shares	**% of holding**
Mr. Himanshu Gupta	5,906,454	16.89%
Mr. Dinesh Kumar Jhunjhnuwala	3,835,229	10.97%
Mrs. Neerja Jhunjhnuwala	4,008,345	11.46%
Everstone Capital Partners II LLC	3,323,229	9.50%
International Finance Corporation	2,805,784	8.02%
HDFC Trustee Company Limited - HDFC Prudence Fund	2,071,197	5.92%

d. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock options (ESOPs) plan of the company,

10. Other equity **(₹ in millions)**

	As at 30 September 2019
Capital reserve*	
Balance as the beginning of reporting year	0.51
Add: Increase during the year	
Balance as the end of reporting year	**0.51**
Securities premium**	
Balance as the beginning of reporting year	6,606.35
Add: increase because of issue of equity share capital	-
Less: decrease due to transaction cost for issued share capital	-
Balance as the end of reporting year	**6,606.35**
Employee stock options outstanding	
Balance as the beginning of reporting year	10.00
Add: compensation option granted during the year- charge for the year	0.49

	As at 30 September 2019
Less: transferred to securities premium on exercise of stock options	-
Balance as the end of reporting year	**10.49**
Retained earning	
Balance as the beginning of reporting year	1,436.44
Add/Less: Profit/(Loss) for the year	(336.72)
Add/Less: Other comprehensive income/ (loss) for the year	(5.56)
Amount available for appropriation	**1,094.16**
Less: Appropriations	
Dividend on equity shares	-
Tax on equity dividend	-
Balance as the end of reporting year	**1,094.16**

Nature and Purpose of reserve

Capital reserve*

During the financial year 2015-16, the Company cancelled its 149,900 forfeited equity shares pursuant to resolution passed at Board Meeting dated September 22, 2015 and the amount was transferred to Capital Reserve.

Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

11. Distribution made and proposed

(₹ in millions)

	As at 30 September 2019
Cash dividends on equity shares declared and paid:	
Final dividend on equity shares for the year ended 31 March 2017 : ₹ 1.25 per share	-
DDT on final dividend	-
Final dividend on equity shares for the year ended 31 March 2018 : ₹ 1.50 per share	-
DDT on final dividend	-
	-
Proposed dividends on equity shares:	
Proposed dividend for the year ended on 31 March 2019: Nil (31 March 2018: ₹ 1.50 per share)	-
DDT on proposed dividend	-
	-

12A. Non-current borrowings

(₹ in millions)

	As at 30 September 2019
Term Loans	
Indian rupee loan from financial institutions (secured) (refer note 'a, b, c, d and e' below)	444.95
Vehicle loans	
Indian rupee loan from bank (secured) (refer note f and g)	4.52
Indian rupee loan from financial institutions (secured) (refer note h)	4.77
Total	**454.25**
Secured	**454.25**
Unsecured	**-**

Note:-

a. Term loan from Siemens Financial Limited taken during the financial year 2014-15, carries interest @ 13.50% to 13.75%. The loan is repayable in 36 equal monthly instalments beginning from August' 2014 onwards. The instalment amount ranges from ₹ 0.34 millions to of ₹ 0.54 millions. The loan is secured by hypothecation of assets being purchased, currently valued at ₹ 14.46 millions. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2017-18.

b. Term loan from Siemens Financial Limited taken during the financial year 2014-15 carries interest @13.50% . The loan is repayable in 36 equal monthly instalments of ₹ 0.076 millions beginning from April' 2015. Further the loan has been guaranteed by personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company & demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2018-19.

c. Term loan from Indo Star Capital Finance has been taken during the 2014-15 financial year, carries interest @ 12.50% p.a. to 12.95% p.a. linked to Kotak Bank Base Rate + 300 basis points with annual reset. (31 March 2016: 12.85% p.a. to 13.00% p.a.). The loan is repayable in 18 quarterly instalments beginning from December' 2014 onwards. Till September 2015, instalment amount ranging from ₹ 14.00 millions to ₹ 48.46 millions per quarter. On December 2015, Company had made early repayment of loan facility amounting to ₹ 350 millions, consequent to that repayment schedule has been revised. The remaining loan amount is repayable in 7 quarterly instalment beginning from September 2017 onwards. The instalment amount is ranging from ₹ 3.23 millions to ₹ 48.46 millions per quarter. The loan is secured by (i) First and exclusive charge on optionally convertible redeemable debentures of New Saraswati House (India) Private Limited by way of pledge (ii) First and exclusive charge on 98% equity of Vikas Publishing House Private Limited by way of pledge (iii) Second pari passu charge on the entire fixed assets of the Company (iv) Second pari passu charge on all current assets of the Company. Further the loan facility has been secured demand promissory note issued in favour of lender. The loan has been repaid during the financial year 2017-18.

d. Term loan from Axis Finance Limited has been taken during the year ended 31st March 2017 and carries interest @ 11.25 % p.a. linked to the Axis Bank Base Rate . The facility has been taken for a period of 5 years and is repayable in 14 equal quarterly instalments of ₹ 71,43 millions beginning from May 2017. The facility has been secured against: (i) second pari passu charge on both present and future current and fixed assets of the Company, (ii) pledge on entire stake to be purchased by the Company i.e., 43.54% of Chhaya Prakashani Private Limited, (iii) pledge on 20% equity shares of the Company by the promoters to be replaced by pledge of 74% shares of Chhaya Prakashani Private Limited acquired by Company and Eurasia Publishing House Private Limited (iv) pledge on 100% equity shares of New Saraswati House (India) Private Limited, subsidiary Company (v) pledge on 100% equity shares of Eurasia Publishing House Private Limited, wholly owned subsidiary company (vi) charge over publishing license/ IPRs as well as brand of New Saraswati and (vii) PDCs for the interest and principal amount. The above securities are to be shared pari-passu with respect to both the facilities of Axis Finance Limited in borrower i.e., the Company and its wholly owned subsidiary Company, Eurasia Publishing House Private Limited. Furthermore, on acquisition of balance shares of Chhaya Prakashani Private Limited, the balance shares and the publishing license as well as the brand is to be charges to Axis Finance Limited. Moreover, the sanction letter also contains the mandatory prepayment terms as follows:

- Any change in ownership structure and / or management control of borrower companies i.e., the Company and Eurasia Publishing House Private Limited and security providers i.e., New Saraswati House (India) Private Limited and Chhaya Prakashani Private Limited;
- Proceeds from any third party by way of further equity/debt infusion into borrower companies i.e., the Company and Eurasia Publishing House Private Limited;
- Rating downgrade
- Merger events
- Interest reset event, in case borrower is not agreeable with the revised interest rates.

The Company had disclosed this under the Objects Clause of the Prospectus filed with SEBI , hence the Term loan has been disclosed as "short term" under current maturities of long term borrowings. The Company listed on NSE and BSE on completion of Initial Public Offering ("IPO") on May 9, 2017 . The loan has been repaid during the financial year 2017-18.

e. Term loan from Axis Finance Limited has been taken during the year ended 31st March 2019 and carries interest @ 11.50 % p.a. linked to the Axis Bank Base Rate . The facility has been taken for a period of 7 years and is repayable in 78 equal monthly instalments of ₹ 8.33 millions beginning from August 2019. The facility has been secured against: (i) Pledge of 64% of unlisted shares of Chhaya Prakashani Private Limited. (ii) 2nd charge on both present and future current and fixed moveable assets of SCCL; (iii) PDCs for the interest and principal amount.

f. Vehicle loans have been taken from HDFC Bank, ICICI Bank, Yes Bank and Vijaya Bank and carry interest @ 10.00% to 12.00%. The loan is repayable in 36 to 60 equal monthly instalments ranging from ₹ 0.004 millions to ₹ 0.099 millions. The loan is secured by hypothecation of respective vehicles.

g. Vehicle loans taken during the year from Yes Bank Ltd, carry interest @ 9.38% p.a to 9.80%. The loans are repayable in 60 equal monthly instalments of ₹ 0.008 millions to ₹ 0.04 millions). The loan is secured by hypothecation of respective vehicle.

h. Vehicle loans have been taken from Daimler Financial and carry interest @ 9.81% to 11% p.a. The loan is repayable in 36 equal monthly instalments of ₹ 0.13 millions to ₹ 0.13 millions. The loan is secured by hypothecation of respective vehicle.

12B Current borrowings **(₹ in millions)**

		As at 30 September 2019
a.	**Current maturity of loan**	
	Term loans	
	Indian rupee loan from financial institutions (secured) (Refer Note 12A (e)	-
	Vehicle loans	
	Indian rupee loan from bank (secured) (refer Note 12A (f) and (h))	2.44
	Indian rupee loan from financial institutions (secured) (refer Note 12A (g))	0.99
	Total current maturity of Indian currency loan	**3.44**
b.	**Cash credit from banks (secured) (refer note f, g, h, I, j and k)**	215.28
c.	**Indian rupee working capital demand loan from banks (secured) (refer note a, b, c, d and e)**	268.80
d.	**Indian rupee working capital demand loan from banks (un secured) (refer e)**	51.20
	Total current borrowings	**538.72**
	Less: Amount presented under “other financial liabilities”	(3.44)
	Total current borrowings	**535.28**
	Secured	**484.08**
	Unsecured	**51.20**

Note :-

a. Working capital demand loan from HDFC Bank Limited (under Multiple Banking Arrangement with DBS Bank , IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company upto 9 June 2017 & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This loan carries interest rate ranging from 8.50 % to 8.70 % p.a. (31 March 2018: 8.50 % to 9.50 % p.a.).

b. Working capital demand loan from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 7 November 2017 . This loan carries interest rate ranging from 8.65 % to 8.75% p.a. (31 March 2018: 8.60 % to 11.35% p.a.).

c. Working capital demand loan from Standard Chartered Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Kotak Mahindra Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 4 August 2017 . This loan carries interest rate ranging from 8.60 % to 9.30 % p.a. (31 March 2018: 8.60% to 9.15% p.a.).

d. Working capital demand loan from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company Upto 7 November 2017. This loan carries interest rate ranging from 8.65% to 9.35 % p.a (31 March 2018: 8.45% to 9.25 %).

e. Working capital demand loan from Tata Capital Financial Services Limited was taken during the year. This loan carries interest rate of 10.50% p.a (31 March 2018: Nil). This loan is unsecured.

f. Cash credit from IndusInd Bank Limited (under Multiple Banking Arrangement with DBS Bank, Standard Chartered Bank , HDFC Bank, Kotak Mahindra Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta , Directors of the Company upto 16 May 2018. It carries interest rate ranging from 10.15% p.a. (31 March 2018: 10 % p.a.).

g. Cash credit from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 7 November 2017. This carries interest rate ranging from 11.00% to 11.40% p.a. (31 March 2018: 10.85% to 11.05% p.a.).

h. Cash credit from Standard Chartered Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, Kotak Mahindra Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company upto 4 August 2017. This carries interest rate ranging from 10.45% to 11.05%. (31 March 2018: 8.60% to 11.15% p.a.).

i. Cash credit from from Citi Bank (under Multiple Banking Arrangement with DBS Bank , IndusInd Bank, HDFC Bank, Kotak Mahindra Bank and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any), Corporate gurantee of Nirja Publishers and Printers Private Limited. This loan carries interest rate of 9 % p.a. (31 March 2018: Nil).

j. Cash Credit from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla ,Directors of the Company Upto 7 November 2017. This loan carries interest rate ranging from 9.40% to 11.10 % p.a (31 March 2018: Nil %).

k. Cash Credit from HDFC Bank Limited (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and Citi Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company upto 9 June 2017 & Corporate Guarantee of Nirja Publishers & Printers Private Limited. This carries interest rate ranging from 9.50 % to 10.10% p.a. (31 March 2018: 9.50 % to 11.25 % p.a.).

13 Trade payables **(₹ in millions)**

	As at 30 September 2019
Trade payables of micro enterprises and small enterprises	-
Trade payables of related entities	40.21
Trade payables other than micro enterprises and small enterprises	226.55
	266.76

14 Other financial liabilities **(₹ in millions)**

	As at 30 September 2019
Other financial liabilities at amortised cost	
Current maturity of long term loans (refer note 12B)	3.44
Employee related liabilities	32.53
Security deposits received	2.87
Lease liability (IND AS 116) - current	43.79
Lease liability (IND AS 116) - non current	76.43
Interest accrued but not due	0.08
Interest accrued and due on security deposits	-
Interest accrued but not due on bill discounted	-
Interest accrued on trade payables to micro and small enterprises	-
Total (A)	**159.14**
Other financial liabilities at fair value through profit and loss	
Financial liability*	100.00
Total (B)	**100.00**

	As at 30 September 2019
Financial guarantee obligation	18.29
Total (C)	**18.29**
Total (A+B+C)	**277.43**
Current	**201.00**
Non current	**76.43**

*In current year financial liability represents an amount of ₹ 100 million for BG invoked due to breach of conditions by selling share holders of New Saraswati House (India) Private Limited relating to non compete clause.

15 Other liabilities **(₹ in millions)**

	As at 30 September 2019
Statutory dues payable	9.14
Rent equalization reserve - current	-
Rent equalization reserve - non current	-
Advance from customers	22.70
Total	**31.84**
Current	**31.84**
Non current	**-**

16 Net employee defined benefit liabilities **(₹ in millions)**

	As at 30 September 2019
Provision for gratuity (refer note 33)	15.31
Total	**15.31**
Current	**-**
Non current	**15.31**

17 Other provisions **(₹ in millions)**

	As at 30 September 2019
Provision for income tax (net of advance tax)	-
Provision for interim dividend	0.09
Total other provisions	**0.09**
Current	**0.09**
Non-current	**-**

18 Revenue from operations

(₹ in millions)

	For six months period ended 30 Sep 2019
Sale of products	
Finished goods	271.87
Traded goods	23.10
Less: Discount	-
Other operating revenue	
Others	-
Scrap sale	4.25
Sale of paper	-
Total	**299.22**
India	287.17
Outside India	12.06
Total	**299.22**
Timing of revenue recognition	
Goods transferred at a point in time	299.22
Services transferred over time	-
Total	**299.22**

The Company collects Goods and Service Tax (GST) on behalf of the Government and hence, GST is not included in Revenue from operations.

Contract balances

Trade receivables

Contract assets

Contract liabilities

Trade receivables are non-interest bearing and are generally on terms of 150 days. In March 2019, INR 89.23 million (March 2018: INR 12.23 million) was recognised as provision for expected credit losses on trade receivables.

Right to return asset and refund liability

Refund liabilities

Arising from discounts

Arising from rights of return

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contracted price

Adjustments

Sales return

Discount

Performance obligation

Information about the Company's performance obligations are summarised below:

Manufactured goods

The performance obligation is satisfied upon delivery of the goods to the transporter designated by the customer or to the customer whichever is earlier.

The customer has a right to return material to an extent as may be agreed upon with each customer or within the limits as may be determined by the company. The customer is also eligible for discounts based on achievement of revenue targets as may be agreed.

19 Other incomes **(₹ in millions)**

		For six months period ended 30 Sep 2019
19.1	**Finance income**	
	Interest income on:	
	- Bank deposits	0.41
	- Unwinding of discount on security deposits paid	-0.24
	- Income tax refund	1.31
	- Others	38.72
	Total finance income (A)	**40.20**
19.2	**Other income**	
	Net gain on sale of current investments (net)	1.43
	Foreign exchange fluctuation gain (net)	0.31
	Fair value gain on financial instruments at fair value through profit or loss	0.51
	Unwinding financial gurantee obligation	0.74
	Premium on redemption of Investments	-
	Reversal of temporary diminution in value of investments	-
	Management cross charge	30.94
	Others	6.34
	Total other income (B)	**40.27**
	Grand Total (A+B)	**80.46**

20 Cost of published goods/material consumed **(₹ in millions)**

	For six months period ended 30 Sep 2019
Inventory at the beginning of the year	92.95
Add: Purchases of published goods	4.93
Add: Printing charges	27.26
Add: Purchases of paper	15.74
Add: Purchases of consumables	0.35
Add: Purchases of VRX Sets , CDs and other items	0.87
	142.10
Less: Inventory at the end of the year	57.05
Cost of published goods/material consumed	**85.04**
Details of raw material purchased	
Paper	15.74
Total	**15.74**

21 Purchase of traded goods (₹ in millions)

	For six months period ended 30 Sep 2019
Purchase of traded goods	11.65
Total	**11.65**

22 (Increase)/ decrease in inventories of finished goods, work-in-progress (₹ in millions)

	For six months period ended 30 Sep 2019
Inventory at the end of the year	
Finished goods	656.07
Inventory at the beginning of the year	
Finished goods	(705.76)
(Increase)/decrease in inventories	**(49.69)**
Details of inventory at the end of the year	
Finished goods	
Manufactured goods	
Books	653.53
Traded goods	
Books	2.54
	656.07

23 Publication expense (₹ in millions)

	For six months period ended 30 Sep 2019
Royalty	28.41
Other publication expenses	5.00
Total	**33.41**

24 Selling and distribution expense (₹ in millions)

	For six months period ended 30 Sep 2019
Advertisement, publicity and exhibition	26.12
Freight & cartage outward	29.34
Travelling & conveyance	11.86
Vehicle running & maintenance	3.51
Packing & dispatch expenses	3.86
Total	**74.70**

25 Employee benefits expense (₹ in millions)

	For six months period ended 30 Sep 2019
Salaries, bonus and allowances	201.20
Contribution to provident and other funds	13.65
Gratuity expense	4.10
Employee stock option expenses	0.49
Staff welfare expenses	6.35
Total	**225.79**

26 Depreciation and amortization expense (₹ in millions)

	For six months period ended 30 Sep 2019
Depreciation on property, plant and equipment (refer note 3)	7.27
Amortisation on intangible fixed assets (refer note 4)	27.28
Total	**34.55**

27 Other expenses (₹ in millions)

	For six months period ended 30 Sep 2019
Rent	38.99
Repairs and maintenance	
- Plant and machinery	0.09
-Building	0.03
-Others	7.57
Insurance	1.88
Rates and taxes	0.38
Communication cost	4.52
Printing and stationery	0.49
Legal and professional fee	13.34
Donations	1.22
Payment to auditor (refer details below)	4.66
Water and electricity charges	5.06
Provision for doubtful receivables	100.69
Provision for advances	-0.31
Recruitment expenses	0.35
Outsourced employee cost	21.43
Loss on sale of fixed assets (net)	-
Office expenses	1.40
Security charges	4.65
Corporate social responsibility expenses	0.73
Director sitting fees	0.74
Lease rental on machine	0.44
Miscellaneous expenses	2.03
Total other expenses	**210.40**

Payment to auditors:

	For six months period ended 30 Sep 2019
As auditor:	
- Audit fee	2.24
- Limited review	1.06
In other capacity	
- Others	1.35
	4.66

28 Finance cost **(₹ in millions)**

	For six months period ended 30 Sep 2019
Interest expense	
- On term loan	39.30
- On others	39.29
Bank charges	0.65
Loan processing fee	1.34
Total	**80.58**

28A Exceptional Items **(₹ in millions)**

	For six months period ended 30 Sep 2019
Exceptional items	
Sales return	-
Provision for impairment on investment	-
Total	**-**

29 Income Tax **(₹ in millions)**

The major components of income tax expense for the period ended 30th September 2019 and year ended 31 March 2019 are:

Profit or loss section

	For six months period ended 30 Sep 2019
Current income tax:	
Current income tax charge	-
Adjustments in respect of current income tax of previous year	-
Deferred tax:	
Relating to origination and reversal of temporary differences	(85.32)
Income tax expense reported in the statement of profit or loss	**(85.32)**

OCI section

Deferred tax related to items recognised in OCI during in the year:

	For six months period ended 30 Sep 2019
Net loss/(gain) on remeasurements of defined benefit plans	2.07
Income tax charged to OCI	(0.60)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 30th September 2019 and 31 March 2019 :

	For six months period ended 30 Sep 2019
Accounting profit before tax	(426.13)
At India's statutory income tax rate of 29.12 % (31 March 2019: 34.944%)	(124.09)
Adjustments in respect of current income tax of previous years	-
Non deductible expenses	-
Others	38.77

At the effective income tax rate of 20.02 % (31 March 2019: 38.19%)	(85.32)
Income tax expense reported in the statement of profit and loss	(85.32)

30 Components of Other Comprehensive Income (OCI) **(₹ in millions)**

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

Retained earnings

	For six months period ended 30 Sep 2019
Re-measurement gains/(losses) on defined benefit plans	(2.07)
Tax impact on re-measurement gains/(losses) on defined benefit plans	0.60
	(1.47)

31 Earnings per share **(₹ in millions)**

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

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

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

	For six months period ended 30 Sep 2019
Profit attributable to equity holders of the company	(340.81)
Weighted average number of equity shares used for computing Earning per Share (Basic)	34.98
Weighted average number of equity shares used for computing Earning per Share (Diluted)	34.89
Basic EPS	(9.74)
Diluted EPS	(9.74)

IN THE NATURE OF ABRIDGED PROSPECTUS-MEMORANDUM CONTAINING SAILENT FEATURES OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") AND S CHAND AND COMPANY LIMITED ("TRANSFEREE COMPANY NO. 1") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER (HEIRNAFTER REFERRED TO AS THE "SCHEME").

This is an abridged prospectus prepared to comply with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are also encouraged to read the greater details available in the Scheme.

THIS ABRIDGED PROSPECTUS CONSISTS OF 5 (FIVE) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This document is prepared to comply with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with disclosures in Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable. S Chand And Company Limited (hereinafter referred to as "Transferee Company No. 1") is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", BSE and NSE collectively referred to as the "Stock Exchanges"). Pursuant to the Scheme, there is no issue of equity shares to the public at large, except to the existing shareholders of Demerged Company No. 1 by Demerged Company No. 2 and Transferee Company No. 1. The equity shares so issued by Transferee Company No. 1 would be listed on the Stock Exchanges. As there is no issue of equity shares to the public at large, the requirements with respect to General Information Document (GID) is not applicable and this abridged prospectus should be read accordingly.

You may also download this Abridged Prospectus along with the Scheme as approved by the Board of Directors of the Transferor Company No. 1 vide their resolutions dated November 15, 2017 and April 09, 2018, by the Board of Directors of Transferor Company No. 2 vide their resolutions dated November 15, 2017 and April 09, 2018, by the Audit Committee of Demerged Company No. 1 vide their resolution dated November 14, 2017 and Board of Directors vide their resolutions dated November 14, 2017 and April 06, 2018, by the Audit Committee of Demerged Company No. 2 vide their resolution dated November 14, 2017 and Board of Directors vide their resolutions dated November 14, 2017 and April 06, 2018 and by the Audit Committee of Transferee Company No. 1 vide their resolutions dated November 17, 2017 and April 06, 2018 and Board of Directors vide their resolutions dated November 17, 2017 and April 06, 2018, and copy of the valuation report issued by M/s. B. Chhawchharia & Co., Chartered Accountants ("Valuer") dated November 14, 2017, read with addendum/clarification issued by the Valuer vide their letters dated January 19, 2018, January 04, 2019, March 15, 2019 and comprehensive valuation report June 12, 2019 issued by the Valuer; and fairness opinion report issued by M/s Real Growth Securities Private Limited dated November 16, 2017, March 27, 2018 and June 12, 2019 from the websites of BSE Limited and National Stock Exchange of India Limited, where the equity share issued pursuant to the Scheme are proposed to be listed, i.e. www.bseindia.com. and www.nseindia.com. A copy of the Abridged Prospectus shall be submitted to Securities and Exchange Board of India ("SEBI").

BLACKIE & SON (CALCUTTA) PRIVATE LIMITED

Registered Office: 7361, Ravindra Mension, Ram Nagar New Delhi-110055
Contact Person: Saurabh Mittal, Director| Telephone No. 011-49731800
Email Id: smittal@schandgroup.com| CIN: U74899DL1979PTC014517

PROMOTERS OF THE COMPANY: **S Chand And Company Limited**
OFFER DETAILS, LISTING AND PROCEDURE
BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") HOLDS NIL SHARES IN S CHAND AND COMPANY LIMITED (HEREINAFTER REFERRED TO AS THE "TRANSFEREE COMPANY NO. 1") CONSTITUTING NIL % OF THE PAID UP SHARE CAPITAL OF TRANSFREE COMPANY NO.1. THE PROPOSED SCHEME INVOLVES AMALGAMATION OF TRANSFEROR COMPANY NO. 1 AND TRANSFEROR COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO. 1. DEMERGER OF EDUCATION BUSINESSES OF DEMERGED COMPANY NO. 1 AND DEMERGED COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO.1. THE REMAINING BUSINESS OF DEMERGED COMPANY NO. 1 TO BE MERGED WITH AND INTO DEMERGED COMPANY NO. 2. The details with respect to the meeting of the shareholders (including Postal Ballot and e-voting) of the Transferee Company No. 1 as convened in accordance with Sections 230-232 of the Companies Act, 2013, and e-voting required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the Scheme would be placed before the shareholders, shall be published in two newspapers as directed by the Hon'ble National Company Law Tribunal ("NCLT"), Bench at New Delhi. DETAILS ABOUT THE BASIS FOR THE VALUATION OF SHARES IN ACCORDANCE WITH THE SCHEME AND THE VALUATION REPORT AND FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITES OF THE TRANSFEREE COMPANY NO. 1 AND STOCK EXCHANGES. **Procedure:** The procedure with respect to Public Issue/Offer would not be applicable as this issue is only to the shareholders of the Transferor Company No. 1, pursuant to the Scheme, without any consideration. Hence, the procedure with respect to GID may be applicable only to the limited extent as specifically provided.
ELIGIBILITY FOR THE ISSUE
Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **Not Applicable**
INDICATIVE TIMETABLE
The Abridged Prospectus is issued pursuant to the Scheme and not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from Regulatory Authorities, including NCLT.
GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Transferor Company No. 1, including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 5 of this Abridged Prospectus

PRICE INFORMATION OF LEAD MANAGER	
Not Applicable- the present Abridged Prospectus is not being issued as a result of public offer and being issued to the shareholders of Transferor Company No. 1, pursuant to the Scheme.	
GENERAL INFORMATION	
Name of Merchant Banker	Turnaround Corporate Advisors Private Limited Heemadri Mukerjea, Managing Director Telephone no.: 011-45510390 Email id: info@tcagroup.in
Name of Syndicate Members	Not Applicable
Name of Registrar to the Issue and contact details(telephone and email id)	Link Intime India Private Limited Address: C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Telephone No. 011-41410592 E-mail ID: bharatb@linkintime.co.in

Name of Statutory Auditor	M/s SSAY & Associates, Chartered Accountants (FRN: 012493N)
Name of Credit Rating Agency and the rating or granting obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self Certified Syndicate Banks	Not Applicable
Non Syndicate Registered Brokers	Not Applicable
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	Not Applicable

PROMOTERS OF TRANSFEROR COMPANY 1

S Chand And Company Limited "S Chand"

S Chand is a public limited company duly incorporated under the provisions of The Companies Act, 1956 on September 09, 1970 bearing a corporate identity number L22219DL1970PLC005400 and having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044. The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Ltd. S Chand is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children books.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATERGY

Business Overview : Blackie & Son (Calcutta) Private Limited ("Blackie") is a private limited company duly incorporated on October 09, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mension, Ram Nagar New Delhi-110055. Blackie is inter alia, engaged in the Business of publishing of books and other literary works.

Business Strategy:

Blackie is leveraging the intellectual property rights of its English language teaching titles in the publishing segment. Intellectual property rights of these titles have been licensed to Transferee Company No. 1 for further commercial exploitation of these titles.

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole-Time/ Executive/ Nominees)	Experience including current/past position held in other firms
1.	Ms. Neerja Jhunjhnuwala	Non-Executive, Non-Independent Director	Ms. Neerja Jhunjhnuwala, aged 56 years, is a non-executive Director of our Company. She has received basic education. She has vide experience in the business of printing, publication and reproduction of books. She is responsible for the management and the growth of the trading, business and operations of the Company. She was appointed as the Director of our Company on May 10, 2007.
2.	Ms. Ankita Gupta	Non-Executive, Non-Independent Director	Ms. Ankita Gupta, aged 41 years, is a non-executive Director of our Company. She holds a degree of M.Com. She has an enriched experience of more than 14 years in Education Business. She is responsible to manage business operations of the Company and plays a key role in Business development of the Company. She was appointed as the Director of our Company on June 16, 2007.
3.	Mr. Saurabh Mittal	Non-Executive, Non-Independent Director	Mr. Saurabh Mittal, aged 46 years, is a non-executive Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He is a fellow member of the Institute of Chartered Accountants of India. He has an experience of more than 12 years in the knowledge products and services industry. He was appointed as the Director of our Company on August 31, 2016.

Details of means of finance- Not Applicable **Object- Amalgamation of Transferor Company No. 1 with and into Transferee Company No. 1.** Upon amalgamation of Transferor Company No. 1 with and into Transferee Company No. 1, the shares of the wholly owned subsidiary i.e. Transferor Company No. 1 held by Transferee Company No. 1 shall stand cancelled and no new shares will be allotted by Transferee Company No. 1. **Rationale and Benefits of the Scheme:** The circumstances which justify and / or necessitate the proposed Scheme of Arrangement amongst Blackie & Son (Calcutta) Private Limited, Nirja Publishers & Printers Private Limited, DS Digital Private Limited, Safari Digital Education Initiatives Private Limited, S Chand And Company Limited and their respective shareholders and creditors are, inter alia, as follows: a) Amalgamation of Transferor Company No. 1 and Transferor Company No. 2 and demerger of Demerged Company No. 1 and Demerged Company No. 2 with and into the Transferee Company No. 1 would result in consolidation of similar business activities of printing, publication and reproduction of books and rendering of digital education services into a single entity, i.e., Transferee Company No. 1 thereby enabling the Transferee Company No. 1 to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies. b) Amalgamation of Transferor Company No. 3 with and into Transferee Company No. 2 would result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Transferee Company No. 2 thereby to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

SHAREHOLDING PATTERN			
Sr. No.	**Particulars**	**Pre Issue number of shares**	**% Holding of Pre issue**
1.	Promoter & Promoter Group	149	100%
2.	Public	0	0
	Total	149	100%

Number / amount of equity shares to be sold by selling shareholders – Not Applicable

STANDALONE AUDITED FINANCIALS
(Rs. in Crores, except where specifically stated)

Standalone	**September 30, 2019 (un-audited subjected to limited review)**	**For the year ended March 31**				
		2019	**2018**	**2017**	**2016**	**2015**
Total income from operations (net)	-	0.14	0.19	0.27	0.72	3.70
Net Profit / (Loss) before tax and extraordinary items	0.03	0.18	0.25	0.17	0.08	0.69
Net Profit / (Loss) after tax and extraordinary items	0.02	0.10	0.17	0.12	0.06	0.44
Equity Share Capital	0.01	0.01	0.01	0.01	0.01	0.01
Reserve and Surplus	7.06	7.04	6.93	6.74	6.62	6.56
Net worth	7.07	7.05	6.95	6.75	6.64	6.58
Basic & Diluted earnings per share (Rs.)	1369.00	6,985.07	11,216.24	7,603.99	3,963.00	29,265.00
Return on net worth (%)	0.29%	1.48%	2.41%	1.71%	0.89%	6.63%
Net asset value per share (Rs.)	474,581	473,212	466,227	455,034	445,461	441,498

INTERNAL RISK FACTORS
1. Our sales seasonality materially effects operating revenue, margins and cash flows from quarter to quarter. Accordingly, as per our management estimates, our operating revenues and margins during the first three fiscal quarters have typically been lower, compared to the fourth Fiscal quarter. These factors may make it difficult for us to prepare accurate internal financial forecasts. Lower than expected net sales in the fourth quarter of a given financial year could have a material adverse effect on our business, results of operations and financial condition. **2**. Our holding Company as well as our group companies have objects similar to that of our company's business and is engaged in the same and/ or similar line of business/industry in which our company operates. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations. 3. We operate in a dynamic industry, and on account of changes in market conditions, industry parameters, or technological improvements, we may not be able to effectively implement our business and growth strategies and achieve future growth. 4. Our business and results of operations may be adversely effected by many factors outside of our control, including changes in national, state and local education funding, general economic conditions, changes in the educational procurement process and changes to the syllabus and curriculum standard 5. Our insurance coverage may not adequately protect us against losses due to accidents, fire, earthquake, or any other natural calamities. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses.
SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS
A. Total number of outstanding litigations against the company and amount involved: No litigation B. Brief Details of top 5 material outstanding litigations against the company and amount involved: No litigation C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchange against Promoters in last 5 financial years including outstanding action, if any: No action D. Details of outstanding criminal proceedings against promoters: There is a criminal complaint filed by Mr. Jay Kant Mishra against S Chand before the Tis Hazari Court, New Delhi. However, till now no documentary evidences, substantiating the charges against S Chand for the same, has been filed with the Court. Further, the Court has not issued any summons/notices to S Chand in this regard.
DECLARATION BY THE COMPANY
We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For Blackie & Son (Calcutta) Private Limited

Sd/-
Saurabh Mittal
Designation: Director

Date: February 13, 2020
Place: New Delhi

Date: February 13, 2020

Ref: TCA/SCHAND-BLACKIE/AP/19-20

To,
The Board of Directors
BLACKIE & SON (CALCUTTA) PRIVATE LIMITED
7361, Ravindra Mension, Ram Nagar
New Delhi-110055

Sub: Certificate on adequacy and accuracy of disclosure of information in the Abridged Prospectus of Blackie & Son (Calcutta) Private Limited in compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the purpose of proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

Dear Sirs,

1. **Background:**

We, M/s Turnaround Corporate Advisors Private Limited, a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012290 have been appointed by M/s S Chand And Company Limited having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044 ("**S Chand**" or "**Transferee Company No. 1**") for the purpose of certifying the adequacy and accuracy of disclosure of information provided in the Abridged Prospectus of Blackie & Son (Calcutta) Private Limited ("**Blackie**" or "**Transferor Company No. 1**") in connection with the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), Ds Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

2. **About Turnaround Corporate Advisors Private Limited:**

Turnaround Corporate Advisors Private Limited (hereinafter referred to as "**Turnaround**" or "**TCA**" or "**we**" or "**us**") is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 with the Registrar of Companies, NCT of Delhi and Haryana. TCA is a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration No.: MB/INM000012290.

3. **Scope and Purpose of the Certificate:**

SEBI vide Circular no. CFD/ DIL3/ CIR/2017/21 dated March 10, 2017 ("**SEBI Circular**") inter-alia prescribed that the listed entity (in the present case "**S Chand**") shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme (in the present certificate, "**Blackie**") in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

4. **Certification:**

We state and confirm as follows:

1. We have examined various documents and other materials made available to us in by the management of S Chand/Blackie in connection with finalization of Abridged Prospectus dated February 13, 2020 pertaining to Blackie which will be circulated to the members of Blackie and S Chand at the time of seeking their consent to the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1"), as a part of explanatory statement to the notice.

2. On the basis of such examination and the discussion with the management of S Chand/Blackie, we confirm that:

   A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to Blackie.

B. The Abridged Prospectus contains applicable information pertaining to Blackie as required in terms of SEBI Circular which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Proposed Scheme of Arrangement.

5. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of Blackie.
- Carrying out a market survey / financial feasibility for the Business of Blackie.
- Financial and Legal due diligence of Blackie.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of Blackie.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of S Chand/Blackie during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our Certificate.

The fee for our services is not contingent upon the result of the proposed Scheme of Arrangement.

The management of S Chand and Blackie or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate. Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the proposed Scheme of Arrangement with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

In no event, will TCA, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For **Turnaround Corporate Advisors Private Limited**

Sd/-
(HEEMADRI MUKERJEA)
Managing Director

IN THE NATURE OF ABRIDGED PROSPECTUS-MEMORANDUM CONTAINING SAILENT FEATURES OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") AND S CHAND AND COMPANY LIMITED ("TRANSFEREE COMPANY NO. 1") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER (HEIRNAFTER REFERRED TO AS THE "SCHEME").

This is an abridged prospectus prepared to comply with the requirements of Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are also encouraged to read the greater details available in the Scheme.

THIS ABRIDGED PROSPECTUS CONSISTS OF 5 (FIVE) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This document is prepared to comply with the requirement of Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with disclosures in Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable. S Chand And Company Limited (hereinafter referred to as "Transferee Company No. 1") is listed on BSE Limited and National Stock Exchange of India Limited ("stock exchanges"). Pursuant to the Scheme, there is no issue of equity shares to the public at large, except to the existing shareholders of Demerged Company No. 1 by Demerged Company No. 2 and Transferee Company No. 1. The equity shares so issued by Transferee Company No. 1 would be listed on the stock exchanges. As there is no issue of equity shares to the public at large, the requirements with respect to General Information Document (GID) is not applicable and this abridged prospectus be read accordingly.

You may also download this Abridged Prospectus along with the Scheme as approved by the Board of Directors of the Transferor Company No. 1 vide their resolutions dated 15.11.2017 and 09.04.2018, by the Board of Directors of Transferor Company No. 2 vide their resolutions dated 15.11.2017 and 09.04.2018, by the Audit Committee of Demerged Company No. 1 vide their resolution dated 14.11.2017 and Board of Directors vide their resolutions dated 14.11.2017 and 06.04.2018, by the Audit Committee of Demerged Company No. 2 vide their resolution dated 14.11.2017 and Board of Directors vide their resolutions dated 14.11.2017 and 06.04.2018 and by the Audit Committee of Transferee Company No. 1 vide their resolutions dated 17.11.2017 and 06.04.2018 and Board of Directors vide their resolutions dated 17.11.2017 and 06.04.2018, and copy of the valuation report issued by M/s. B. Chhawchharia & Co., Chartered Accountants dated November 14, 2017, January 19, 2018, January 04, 2019, March 15, 2019 and June 12, 2019 and fairness opinion report issued by Real Growth Securities Private Limited dated November 16, 2017, March 27, 2018 and June 12, 2019 from the websites of BSE Limited and National Stock Exchange of India Limited where the equity share issued pursuant to the Scheme are proposed to be listed i.e. www.bseindia.com. and www.nseindia.com. A copy of the Abridged Prospectus shall be submitted to Securities and Exchange Board of India ("SEBI").

NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED

Registered Office: 7361, Ram Nagar, Qutab Road, New Delhi 110055
Contact Person: Jagdeep Singh, Group Head-Legal & Compliance
Telephone No. 011-49731800
Email Id: jsingh.del@schandgroup.com
CIN: U74899DL1971PTC005776

PROMOTERS OF THE COMPANY: S Chand And Company Limited

OFFER DETAILS, LISTING AND PROCEDURE

THE COMPANIES INVOLVED IN THE COMPOSITE SCHEME OF ARRANGEMENT PRESENTLY HOLDS NIL SHARES IN S CHAND AND COMPANY LIMITED (HEREINAFTER REFERRED TO AS THE "TRANSFEREE COMPANY NO. 1") CONSTITUTING NIL % OF THE PAID UP SHARE CAPITAL OF TRANSFREE COMPANY NO.1.

THE PROPOSED SCHEME INVOLVES AMALGAMATION OF TRANSFEROR COMPANY NO. 1 AND TRANSFEROR COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO. 1. DEMERGER OF EDUCATION BUSINESSES OF DEMERGED COMPANY NO. 1 AND DEMERGED COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO. 1. THE REMAINING BUSINESS OF DEMERGED COMPANY NO. 1 TO BE MERGED WITH AND INTO DEMERGED COMPANY NO. 2.

The details with respect to the meeting of the shareholders (including Postal Ballot and e-voting) of the Transferee Company No. 1 as convened in accordance with Sections 230-232 of the Companies Act, 2013, and e-voting required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the Scheme would be placed before the shareholders will be published in two newspapers as directed by the Hon'ble National Company Law Tribunal ("NCLT"), Bench at New Delhi.

DETAILS ABOUT THE BASIS FOR THE VALUATION OF SHARES IN ACCORDANCE WITH THE SCHEME AND THE VALUATION REPORT AND FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITES OF THE TRANSFEREE COMPANY NO. 1 AND STOCK EXCHANGES.

Procedure:

The procedure with respect to Public Issue/Offer would not be applicable as this issue as this issue is only to the shareholders of the Demerged Company No. 1, pursuant to the Scheme without any consideration. Hence the procedure with respect to GID may be applicable only to the limited extent as specifically provided.

ELIGIBILITY FOR THE ISSUE

Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **Not Applicable**

INDICATIVE TIMETABLE

The Abridged Prospectus is issued pursuant to the Scheme and not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals form Regulatory Authorities, including NCLT.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 5 of this Abridged Prospectus

PRICE INFORMATION OF LEAD MANAGER

Not Applicable- the present Abridged Prospectus is not being issued as a result of public offer and being issued to the shareholders of Demerged Company No. 1, pursuant to the Scheme.

GENERAL INFORMATION

Name of Merchant Banker	Turnaround Corporate Advisors Private Limited Heemadri Mukerjea, Managing Director Telephone no.: 011 45510390 Email id: info@tcagroup.in
Name of Syndicate Members	Not Applicable
Name of Registrar to the Issue and contact details(telephone and email id)	Not Applicable
Name of Statutory Auditor	SSAY & Associates, Chartered Accountants (FRN: 012493N)

Name of Credit Rating Agency and the rating or granting obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self Certified Syndicate Banks	Not Applicable
Non Syndicate Registered Brokers	Not Applicable
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	Not Applicable

PROMOTER OF TRANSFEROR COMPANY NO. 2

S Chand And Company Limited "S Chand"

S Chand is a public limited company duly incorporated under the provisions of The Companies Act, 1956 on September 09, 1970 bearing a corporate identity number L22219DL1970PLC005400 and having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044. The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Limited. S Chand is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children books.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATERGY

Business Overview : Nirja Publishers & Printers Private Limited **("Nirja"**) is a private limited company duly incorporated on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar Qutab Road New Delhi-110055. Nirja is inter alia engaged in the business of publishing, printing and reproduction of books for S Chand group.

Business Strategy:

Nirja is leveraging the intellectual property rights of titles in the publishing segment which are all licensed to Transferee Company No. 1. The printing press of Nirja has been transferred to Sahibabad.

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole-Time/ Executive/ Nominees)	Experience including current/past position held in other firms
1.	Ms. Savita Gupta	Non-Executive, Non-Independent Director	Ms. Savita Gupta, aged 70 years, is a Non-Executive Director of our Company. She holds a degree in bachelor's of arts and a degree in masters of arts in english literature, both from Chaudhary Charan Singh University, Meerut, Uttar Pradesh. She has been associated with our Company since 1989 and accordingly, has over 30 years of experience in the knowledge products and services industry. She was appointed as a Director of our Company on August 27, 1999.
2.	Mr. Himanshu Gupta	Non-Executive, Non-Independent Director	Mr. Himanshu Gupta, aged 41 years, is a Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He has over 18 years of experience in the knowledge products and services industry. He was appointed as the Director of our Company on May 10, 2007. He was the vice president (south) of the Federation of Indian Publishers for the year 2012-2013. He is a recipient of 'Young Publisher Award' by the Federation of Educational Publishers in India for the year 2011.
3.	Ms. Neerja Jhunjhnuwala	Non-Executive, Non-Independent Director	Ms. Neerja Jhunjhnuwala, aged 56 years, is a Director of our Company. She has received basic education. She has a vide experience in the business of printing, publication and reproduction of books. She is responsible for the management and the growth of the trading, business and operations of the Company. She was appointed as a Director of our Company on May 10, 2007.
4	Mr. Dinesh Kumar Jhunjhnuwala	Non-Executive, Non-Independent Director	Mr. Dinesh Kumar Jhunjhnuwala, aged 59 years, is a Director of our Company. He has received basic education. He has been associated with our Company from May 10, 2007 and has over 14 years of experience in the knowledge products and services industry.

Details of means of finance- Not Applicable

Object- Amalgamation of Transferor Company No. 2 with and into Transferee Company No. 1.

Upon amalgamation of Transferor Company No. 2 with and into Transferee Company No. 1, the shares of the wholly owned subsidiary i.e. Transferor Company No. 2 held by Transferee Company No. 1 shall stand cancelled and no new shares will be allotted by Transferee Company No. 1.

Rationale and Benefits of the Scheme: The circumstances which justify and / or necessitate the proposed Scheme of Arrangement amongst Blackie & Son (Calcutta) Private Limited, Nirja Publishers & Printers Private Limited, DS Digital Private Limited, Safari Digital Education Initiatives Private Limited, S Chand And Company Limited and their respective shareholders and creditors are, inter alia, as follows:

a) Amalgamation of Transferor Company No. 1 and Transferor Company No. 2 and demerger of education business of Demerged Company No. 1 and Demerged Company No. 2 with and into the Transferee Company No. 1 would result in consolidation of similar business activities of printing, publication and reproduction of books and rendering of digital education services into a single entity, i.e., Transferee Company No. 1 thereby enabling the Transferee Company No. 1 to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

b) Amalgamation of Transferor Company No. 3 with and into Transferee Company No. 2 would result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Transferee Company No. 2 thereby to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter & Promoter Group	12,000	100%
2.	Public	0	0
	Total	12,000	100%

Number / amount of equity shares to be sold by selling shareholders – Not Applicable

AUDITED FINANCIALS **(Rs. in Crores)**

Standalone	September 30, 2019 (un-audited subjected to limited review)	For the year ended March 31				
		2019	2018	2017	2016	2015
Total income from operations (net)	0.77	22.65	15.12	25.40	48.77	44.53
Net Profit / (Loss) before tax and extraordinary items	0.61	5.21	4.13	5.54	16.57	12.47
Equity Share Capital	0.01	0.01	0.01	0.01	0.01	0.01
Reserve and Surplus	76.35	75.82	71.84	68.53	64.73	52.13
Net worth	76.36	75.83	71.85	68.54	64.74	52.15
Basic & Diluted earnings per share (Rs.)	459.00	3,315.98	2,744.82	3,253.16	10,496.31	7,884.72
Return on net worth (%)	0.72%	5.25%	4.58%	5.70%	19.46%	18.14%
Net asset value per share (Rs.)	63,635	63,193	59,877	57,118	53,952	43,455

INTERNAL RISK FACTORS

1. Our sales seasonality materially affects operating revenue, margins and cash flows from quarter to quarter. Accordingly, as per our management estimates, our operating revenues and margins during the first three fiscal quarters have typically been lower, compared to the fourth Fiscal quarter. These factors may make it difficult for us to prepare accurate internal financial forecasts. Lower than expected net sales in the fourth quarter of a given financial year could have a material adverse effect on our business, results of operations and financial condition.

2. We may not be able to complete, or achieve the expected benefits from, current or future investments which could materially adversely affect our business, results of operation, cash flows and financial condition.

3. We operate in a dynamic industry, and on account of changes in market conditions, industry parameters, or

technological improvements, we may not be able to effectively implement our business and growth strategies and achieve future growth.

4. Our business and results of operations may be adversely affected by many factors outside of our control, including changes in national, state and local education funding, general economic conditions, changes in the educational procurement process and changes to the syllabus and curriculum standard

5. Our insurance coverage may not adequately protect us against losses due to accidents, fire, earth quake, or any other natural calamities. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

A. Total number of outstanding litigations against the company and amount involved:

Name of the statute	Nature of dues	Period to which it relates	Amount (in Rs.)
Income Tax Act, 1961	Disallowance on account deduction claimed u/s 80IC	AY 2012-13	3,54,38,380
	Disallowance on account deduction claimed u/s 80IC	AY 2011-12	39,472,967
	Disallowance u/s 40(a)(ia) & MAT credit	AY 2011-12	1132686

B. Brief Details of top 5 material outstanding litigations against the company and amount involved:

Name of the statute	Nature of dues	Period to which it relates	Amount (in Rs.)
Income Tax Act, 1961	Disallowance on account deduction claimed u/s 80IC	AY 2012-13	3,54,38,380
	Disallowance on account deduction claimed u/s 80IC	AY 2011-12	39,472,967
	Disallowance u/s 40(a)(ia) & MAT credit	AY 2011-12	1132686

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchange against Promoters in last 5 financial years including outstanding action, if any: No action

D. Details of outstanding criminal proceedings against promoters: No outstanding proceedings

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For Nirja Publishers & Printers Private Limited

Sd/-
Himanshu Gupta
Director
DIN: 00054015

Date: February 13, 2020

Place: New Delhi

Date: February 13, 2020

Ref: TCA/SCHAND-NIRJA/AP/19-20

To,
The Board of Directors
NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED
7361, Ram Nagar, Qutab Road
New Delhi-110055

Sub: Certificate on adequacy and accuracy of disclosure of information in the Abridged Prospectus of Nirja Publishers & Printers Private Limited in compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the purpose of proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

Dear Sirs,

1. <u>Background:</u>

We, M/s Turnaround Corporate Advisors Private Limited, a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012290 have been appointed by M/s S Chand And Company Limited having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044 ("**S Chand**" or "**Transferee Company No. 1**") for the purpose of certifying the adequacy and accuracy of disclosure of information provided in the Abridged Prospectus of Nirja Publishers & Printers Private Limited ("**Nirja**" or "**Transferor Company No. 2**") in connection with the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

2. <u>About Turnaround Corporate Advisors Private Limited:</u>

Turnaround Corporate Advisors Private Limited (hereinafter referred to as "**Turnaround**" or "**TCA**" or "**we**" or "**us**") is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 with the Registrar of Companies, NCT of Delhi and Haryana. TCA is a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration No.: MB/INM000012290.

3. <u>Scope and Purpose of the Certificate:</u>

SEBI vide Circular no. CFD/ DIL3/ CIR/2017/21 dated March 10, 2017 ("**SEBI Circular**") inter-alia prescribed that the listed entity (in the present case "**S Chand**") shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme (in the present certificate, "**Nirja**") in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

4. <u>Certification:</u>

We state and confirm as follows:

1. We have examined various documents and other materials made available to us in by the management of S Chand/Nirja in connection with finalization of Abridged Prospectus dated February 13, 2020 pertaining to Nirja which will be circulated to the members of Nirja and S Chand at the time of seeking their consent to the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1"), as a part of explanatory statement to the notice.

2. On the basis of such examination and the discussion with the management of S Chand/Nirja, we confirm that:

   A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to Nirja.

B. The Abridged Prospectus contains applicable information pertaining to Nirja as required in terms of SEBI Circular which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Proposed Scheme of Arrangement.

5. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of Nirja.
- Carrying out a market survey / financial feasibility for the Business of Nirja.
- Financial and Legal due diligence of Nirja.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of Nirja.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of S Chand/Nirja during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our Certificate.

The fee for our services is not contingent upon the result of the proposed Scheme of Arrangement.

The management of S Chand and Nirja or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate. Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the proposed Scheme of Arrangement with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

In no event, will TCA, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For **Turnaround Corporate Advisors Private Limited**

Sd/-
(HEEMADRI MUKERJEA)
Managing Director

IN THE NATURE OF ABRIDGED PROSPECTUS-MEMORANDUM CONTAINING SAILENT FEATURES OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") AND S CHAND AND COMPANY LIMITED ("TRANSFEREE COMPANY NO. 1") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER (HEIRNAFTER REFERRED TO AS THE "SCHEME").

This is an abridged prospectus iprepared to comply with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are also encouraged to read the greater details available in the Scheme.

THIS ABRIDGED PROSPECTUS CONSISTS OF 6 (SIX) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This document is prepared to comply with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with disclosures in Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable. S Chand And Company Limited (hereinafter referred to as "Transferee Company No. 1") is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", BSE and NSE collectively referred to as the "Stock Exchanges"). Pursuant to the Scheme, there is no issue of equity shares to the public at large, except to the existing shareholders of Demerged Company No. 1 by Demerged Company No. 2 and Transferee Company No. 1. The equity shares so issued by Transferee Company No. 1 would be listed on the Stock Exchanges. As there is no issue of equity shares to the public at large, the requirements with respect to General Information Document (GID) is not applicable and this abridged prospectus should be read accordingly.

You may also download this Abridged Prospectus along with the Scheme as approved by the Board of Directors of the Transferor Company No. 1 vide their resolutions dated November 15, 2017 and April 09, 2018, by the Board of Directors of Transferor Company No. 2 vide their resolutions dated November 15, 2017 and April 09, 2018, by the Audit Committee of Demerged Company No. 1 vide their resolution dated November 14, 2017 and Board of Directors vide their resolutions dated November 14, 2017 and April 06, 2018, by the Audit Committee of Demerged Company No. 2 vide their resolution dated November 14, 2017 and Board of Directors vide their resolutions dated November 14, 2017 and April 06, 2018 and by the Audit Committee of Transferee Company No. 1 vide their resolutions dated November 17, 2017 and April 06, 2018 and Board of Directors vide their resolutions dated November 17, 2017 and April 06, 2018, and copy of the valuation report issued by M/s. B. Chhawchharia & Co., Chartered Accountants ("Valuer") dated November 14, 2017, read with addendum/clarification issued by the Valuer vide their letters dated January 19, 2018, January 04, 2019, March 15, 2019 and comprehensive valuation report June 12, 2019 issued by the Valuer; and fairness opinion report issued by M/s Real Growth Securities Private Limited dated November 16, 2017, March 27, 2018 and June 12, 2019 from the websites of BSE Limited and National Stock Exchange of India Limited, where the equity share issued pursuant to the Scheme are proposed to be listed, i.e. www.bseindia.com. and www.nseindia.com. A copy of the Abridged Prospectus shall be submitted to Securities and Exchange Board of India ("SEBI").

DS Digital Private Limited

Registered Office: A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044
Contact Person: Jagdeep Singh, Group Head – Legal & Compliance Telephone No. 011-49731800
Email Id: jsingh.del@schandgroup.com
Website: www.dsdigital.in| CIN: U72200DL2008PTC173250

PROMOTERS OF THE COMPANY:
S Chand And Company Limited

OFFER DETAILS, LISTING AND PROCEDURE

BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") HOLDS NIL SHARES IN S CHAND AND COMPANY LIMITED (HEREINAFTER REFERRED TO AS THE "TRANSFEREE COMPANY NO. 1") CONSTITUTING NIL % OF THE PAID UP SHARE CAPITAL OF TRANSFREE COMPANY NO.1.

THE PROPOSED SCHEME INVOLVES AMALGAMATION OF TRANSFEROR COMPANY NO. 1 AND TRANSFEROR COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO. 1. DEMERGER OF EDUCATION BUSINESSES OF DEMERGED COMPANY NO. 1 AND DEMERGED COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO.1. THE REMAINING BUSINESS OF DEMERGED COMPANY NO. 1 TO BE MERGED WITH AND INTO DEMERGED COMPANY NO. 2.

The details with respect to the meeting of the shareholders (including Postal Ballot and e-voting) of the Transferee Company No. 1 as convened in accordance with Sections 230-232 of the Companies Act, 2013, and e-voting required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the Scheme would be placed before the shareholders, shall be published in two newspapers as directed by the Hon'ble National Company Law Tribunal ("NCLT"), Bench at New Delhi.

DETAILS ABOUT THE BASIS FOR THE VALUATION OF SHARES IN ACCORDANCE WITH THE SCHEME AND THE VALUATION REPORT AND FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITES OF THE TRANSFEREE COMPANY NO. 1 AND STOCK EXCHANGES.

Procedure:

The procedure with respect to Public Issue/Offer would not be applicable as this issue is only to the shareholders of the Demerged 1, pursuant to the Scheme without any consideration. Hence, the procedure with respect to GID may be applicable only to the limited extent as specifically provided.

ELIGIBILITY FOR THE ISSUE

Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **Not Applicable**

INDICATIVE TIMETABLE

The Abridged Prospectus is issued pursuant to the Scheme and not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from Regulatory Authorities, including NCLT.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Demerged Company No. 1, including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 5 of this Abridged Prospectus.

PRICE INFORMATION OF LEAD MANAGER

Not Applicable- the present Abridged Prospectus is not being issued as a result of public offer and being issued to the shareholders of Demerged Company No. 1, pursuant to the Scheme.

GENERAL INFORMATION

Name of Merchant Banker	Turnaround Corporate Advisors Private Limited Heemadri Mukerjea, Managing Director Telephone no.: 011 45510390 Email id: info@tcagroup.in
Name of Syndicate Members	Not Applicable
Name of Registrar to the Issue and contact details(telephone and email id)	Link Intime India Pvt. Ltd. Address: C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 | Telephone No. 011-41410592 E-mail ID: bharatb@linkintime.co.in

Name of Statutory Auditor	M/s. V.P. Jain & Associates, Chartered Accountants (Firm Registration No- 015260N)
Name of Credit Rating Agency and the rating or granting obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self Certified Syndicate Banks	Not Applicable
Non Syndicate Registered Brokers	Not Applicable
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	Not Applicable

PROMOTER OF DEMERGED COMPANY NO. 1

S Chand And Company Limited ("S Chand")

S Chand is a public limited company duly incorporated under the provisions of The Companies Act, 1956 on September 09, 1970 bearing a corporate identity number L22219DL1970PLC005400 and having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044. The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Limited. S Chand is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children books.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATERGY

Business Overview: DS Digital Private Limited ("DS Digital") is a private limited company duly incorporated on January 28, 2008 bearing a corporate identity number U72200DL2008PTC173250 and having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044. DS Digital is engaged in the business of providing digital educational services and running of pre-schools.

Business Strategy: DS Digital is transitioning from a school solutions Company to a personalized learning solutions provider. It has launched a new student learning app called learnflix to address this large and fast growing market of personalized learning through mobile. Classroom solutions business will be handled through channel partners mainly selling the software content licenses, with partners providing the associated hardware / services.

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole-Time/ Executive/ Nominees)	Experience including current/past position held in other firms
1.	Mr. Himanshu Gupta	Non-Executive, Non-Independent Director	Mr. Himanshu Gupta, aged 41 years, is a Non-Executive, Non-Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He has over 18 years of experience in the knowledge products and services industry. He was appointed as the Director of our Company on January 28, 2008. He was the vice president (south) of the Federation of Indian Publishers for the year 2012-2013. He is a recipient of 'Young Publisher Award' by the Federation of Educational Publishers in India for the year 2011.
2.	Mr. Dinesh Kumar Jhunjhnuwala	Non-Executive, Non-Independent Director	Mr. Dinesh Kumar Jhunjhnuwala, aged 59 years, is a Non-Executive, Non-Independent Director of our Company. He has received basic education. He has been associated with our Company from April 09, 2008 and has over 14 years of experience in the knowledge products and services industry.
3.	Mr. Sharad Talwar	Non-Executive, Independent Director	Mr. Sharad Talwar, aged 56 years, is a Non-Executive, Independent Director of our Company. He holds a degree of Master in Business Administration from Indian Institute of Management, Ahmedabad and a degree of B-Tech from Indian Institute of Technology, Kharagpur. He has 30+ years of experience in strategic planning, building and growing businesses in large multinational organizations across Technology, Education, Service, ITES/BPO and KPO sectors. He was appointed as an Independent Director of our Company on November 10, 2016.
4.	Mr. Rajagopalan Chandrashekar	Non-Executive, Independent Director	Mr. Rajagopalan Chandrashekar, aged 42 years, is a Non-Executive, Independent Director of our Company. He is an Industrial Engineer from NIT Jalandhar and a management graduate from NITIE Mumbai. He has 17 years of experience in strategy, corporate planning and business development. He was appointed as an Independent Director of our Company on August 07, 2018.

Details of means of finance- Not Applicable

Object- Demerger of education businesses of Demerged Company No. 1 and Demerged Company No. 2 with and into Transferee Company No.1. The remaining business of Demerged Company No. 1 to be merged with and into Demerged Company No. 2.

Upon demerger of education business of Demerged Company No. 1 and Demerged Company No. 2 with and into Transferee Company No. 1, the Demerged Company No. 2 shall become a direct wholly-owned subsidiary of Transferee Company No. 1 and also substantial equity shares and all preference shares of Demerged Company No.1 are held by Transferee Company No. 1 and Demerged Company No. 2, therefore, the Transferee Company No. 1 shall not issue any shares neither to itself nor to Demerged Company No. 2. However, Transferee Company No. 1 will issue shares to the other shareholders of Demerged Company No. 1 in the ratio of 1:117.

Upon merger of the remaining business of Demerged Company No. 1 with and into Demerged Company No. 2, the equity and preference shares of the Demerged Company No. 1 held by Demerged Company No. 2 shall stand cancelled. Demerged Company No. 2 will issue shares to other shareholders of Demerged Company No. 1 in the ratio 2:17.

Rationale and Benefits of the Scheme: The circumstances which justify and / or necessitate the proposed Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Private Limited, Nirja Publishers & Printers Private Limited, DS Digital Private Limited, Safari Digital Education Initiatives Private Limited, S Chand And Company Limited and their respective shareholders and creditors are, inter alia, as follows:

a) Amalgamation of Transferor Company No. 1 and Transferor Company No. 2 and demerger of education business of Demerged Company No. 1 and Demerged Company No. 2 with and into the Transferee Company No. 1 would result in consolidation of similar business activities of printing, publication and production of books and rendering of digital education services into a single entity, i.e., Transferee Company No. 1 thereby enabling the Transferee Company No. 1 to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

b) Amalgamation of Demerged Company No. 1 with and into Demerged Company No. 2 would result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Demerged Company No. 2 thereby to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

SHAREHOLDING PATTERN					
Sr. No.	**Particulars**	**Pre Issue number of shares**		**% Holding of Pre issue**	
		Equity	**Preference**	**Equity**	**Preference**
1.	Promoter & Promoter Group	34,723,915	22,170,400	99.99%	100.00%
2.	Public	5,005	NIL	0.01%	Nil
	Total	34,728,920	22,170,400	100.00%	100.00%
Number / amount of equity shares to be sold by selling shareholders – Not Applicable					

STANDALONE AUDITED FINANCIALS (Rs. in Crores, except where specifically stated)						
Standalone	**September 30, 2019 (un-audited subjected to limited review)**	**For the year ended March 31**				
		2019	**2018**	**2017**	**2016**	**2015**
Total income from operations (net)	7.02	20.13	21.83	29.03	23.40	15.78
Net Profit / (Loss) before tax and extraordinary items	(5.18)	(8.02)	(5.91)	(7.38)	(3.31)	(5.25)
Net Profit / (Loss) after tax and extraordinary items						
Equity Share Capital	34.73	34.73	34.73	34.73	34.73	34.73
Optionally Convertible Preference Shares	22.17	22.17	22.17	22.17	6.17	6.17
Reserve and Surplus	(51.22)	(45.85)	(39.03)	(36.13)	(28.77)	(22.06)
Net worth (Including Optionally Convertible Preference Shares)	5.68	11.05	17.87	20.77	12.13	18.84
Net worth (Excluding Optionally Convertible Preference Shares)	(16.49)	(11.12)	(4.30)	(1.40)	5.96	12.67
Basic & Diluted earnings per share (Rs.)	(1.56)	(1.98)	(0.85)	(2.13)	(0.95)	(1.51)
Return on net worth (Including Optionally Convertible Preference Shares) (%)#	-95.27%	-62.29%	-16.44%	-31.74%	-27.27%	-27.87%
Return on net worth (Excluding Optionally Convertible Preference Shares) (%)#, ##	NA	NA	NA	NA	-55.50%	-41.44%
Net asset value per share (Rs.)	(4.75)	(3.20)	(1.24)	(0.40)	1.72	3.65

Notes:

Based on Profit After Tax (Excluding Other Comprehensive Income)

Net worth excluding Preference Shares for years ended March 31, 2017, March 31, 2018, March 31, 2019 and 06 months period ended September 30, 2019 is negative, hence return on NW cannot be calculated.

Figures for years ended March 31, 2017, March 31, 2018, March 31, 2019 and 06 months period ended September 30, 2019 have been taken based on IND-AS Financials.

INTERNAL RISK FACTORS

1. Our sales seasonality materially effects operating revenue, margins and cash flows from quarter to quarter. Accordingly, as per our management estimates, our operating revenues and margins during the first three fiscal quarters have typically been lower, compared to the fourth fiscal quarter. These factors may make it difficult for us to prepare accurate internal financial forecasts. Lower than expected net sales in the fourth quarter of a given financial year could have a material adverse effect on our business, results of operations and financial condition.

2. Our holding Company as well as our group companies have objects similar to that of our company's business and is engaged in the same and/ or similar line of business/industry in which our company operates. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.

3. We operate in a dynamic industry and on account of changes in market conditions, industry parameters, or technological improvements, we may not be able to effectively implement our business and growth strategies and achieve future growth.

4. Our business and results of operations may be adversely effected by many factors outside our control, including changes in national, state and local education funding, general economic conditions, changes in the educational procurement process and changes to the syllabus and curriculum standard.

5. Our insurance coverage may not adequately protect us against losses due to accidents, fire, earth quake, or any other natural calamities. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

A. Total number of outstanding litigations against the company and amount involved:

Name of the statute	Nature of dues	Period to which it relates	Amount (in Rs.)
U. P Vat Act, 2008	Claims against the Company not acknowledged as debts -Penalty u/s 54 (1)	Financial Year 2012-13	27,50,000

B. Brief Details of top 5 material outstanding litigations against the company and amount involved:

Name of the statute	Nature of dues	Period to which it relates	Amount (in Rs.)
U. P Vat Act, 2008	Claims against the Company not acknowledged as debts -Penalty u/s 54 (1)	Financial Year 2012-13	27,50,000

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchange against Promoters in last 5 financial years including outstanding action, if any: No action

D. Details of outstanding criminal proceedings against promoters: There is a criminal complaint filed by Mr. Jay Kant Mishra against S Chand before the Tis Hazari Court, New Delhi. However till now no documentary evidences, substantiating the charges against S Chand for the same, has been filed with the Court. Further, the Court has not issued any summons/notices to S Chand in this regard.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For DS Digital Private Limited

Manish Kumar Goyal
Designation: Company Secretary
Membership No.: A-36926

Date: February 13, 2020
Place: New Delhi

Date: February 13, 2020

Ref: TCA/SCHAND- DSDIGITAL/AP/19-20

To,
The Board of Directors
DS Digital Private Limited
A-27, 2nd Floor, Mohan Co-operative Industrial Estate,
New Delhi-110044

Sub: Certificate on adequacy and accuracy of disclosure of information in the Abridged Prospectus of DS Digital Private Limited in compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the purpose of proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

Dear Sirs,

1. **Background:**

We, M/s Turnaround Corporate Advisors Private Limited, a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012290 have been appointed by M/s S Chand And Company Limited having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044 ("**S Chand**" or "**Transferee Company No. 1**") for the purpose of certifying the adequacy and accuracy of disclosure of information provided in the Abridged Prospectus of DS Digital Private Limited ("**DS Digital**" or "**Demerged Company No. 1**") in connection with the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

2. **About Turnaround Corporate Advisors Private Limited:**

Turnaround Corporate Advisors Private Limited (hereinafter referred to as "**Turnaround**" or "**TCA**" or "**we**" or "**us**") is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 with the Registrar of Companies, NCT of Delhi and Haryana. TCA is a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration No.: MB/INM000012290.

3. **Scope and Purpose of the Certificate:**

SEBI vide Circular no. CFD/ DIL3/ CIR/2017/21 dated March 10, 2017 ("**SEBI Circular"**) inter-alia prescribed that the listed entity (in the present case "**S Chand**") shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme (in the present certificate, "**DS Digital**") in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

4. **Certification:**

We state and confirm as follows:

1. We have examined various documents and other materials made available to us in by the management of S Chand/ DS Digital in connection with finalization of Abridged Prospectus dated February 13, 2020 pertaining to DS Digital which will be circulated to the members of DS Digital and S Chand at the time of seeking their consent to the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1"), as a part of explanatory statement to the notice.
2. On the basis of such examination and the discussion with the management of S Chand/DS Digital, we confirm that:
   A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to DS Digital.

B. The Abridged Prospectus contains applicable information pertaining to DS Digital as required in terms of SEBI Circular which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Proposed Scheme of Arrangement.

5. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of DS Digital.
- Carrying out a market survey / financial feasibility for the Business of DS Digital.
- Financial and Legal due diligence of DS Digital.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of DS Digital.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of S Chand/ DS Digital during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our Certificate.

The fee for our services is not contingent upon the result of the proposed Scheme of Arrangement.

The management of S Chand and DS Digital or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate. Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the proposed Scheme of Arrangement with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

In no event, will TCA, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For **Turnaround Corporate Advisors Private Limited**

Sd/-
(HEEMADRI MUKERJEA)
Managing Director

IN THE NATURE OF ABRIDGED PROSPECTUS-MEMORANDUM CONTAINING SAILENT FEATURES OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") AND S CHAND AND COMPANY LIMITED ("TRANSFEREE COMPANY NO. 1") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER (HEIRNAFTER REFERRED TO AS THE "SCHEME").

This is an abridged prospectus prepared to comply with the requirements of Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are also encouraged to read the greater details available in the Scheme.

THIS ABRIDGED PROSPECTUS CONSISTS OF 5 (FIVE) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This document is prepared to comply with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with disclosures in Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable. S Chand And Company Limited (hereinafter referred to as "Transferee Company No. 1") is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", BSE and NSE collectively referred to as the "Stock Exchanges"). Pursuant to the Scheme, there is no issue of equity shares to the public at large, except to the existing shareholders of Demerged Company No. 1 by Demerged Company No. 2 and Transferee Company No. 1. The equity shares so issued by Transferee Company No. 1 would be listed on the Stock Exchanges. As there is no issue of equity shares to the public at large, the requirements with respect to General Information Document (GID) is not applicable and this abridged prospectus should be read accordingly.

You may also download this Abridged Prospectus along with the Scheme as approved by the Board of Directors of the Transferor Company No. 1 vide their resolutions dated November 15, 2017 and April 09, 2018, by the Board of Directors of Transferor Company No. 2 vide their resolutions dated November 15, 2017 and April 09, 2018, by the Audit Committee of Demerged Company No. 1 vide their resolution dated November 14, 2017 and Board of Directors vide their resolutions dated November 14, 2017 and April 06, 2018, by the Audit Committee of Demerged Company No. 2 vide their resolution dated November 14, 2017 and Board of Directors vide their resolutions dated November 14, 2017 and April 06, 2018 and by the Audit Committee of Transferee Company No. 1 vide their resolutions dated November 17, 2017 and April 06, 2018 and Board of Directors vide their resolutions dated November 17, 2017 and April 06, 2018, and copy of the valuation report issued by M/s. B. Chhawchharia & Co., Chartered Accountants ("Valuer") dated November 14, 2017, read with addendum/clarification issued by the Valuer vide their letters dated January 19, 2018, January 04, 2019, March 15, 2019 and comprehensive valuation report June 12, 2019 issued by the Valuer; and fairness opinion report issued by M/s Real Growth Securities Private Limited dated November 16, 2017, March 27, 2018 and June 12, 2019 from the websites of BSE Limited and National Stock Exchange of India Limited, where the equity share issued pursuant to the Scheme are proposed to be listed, i.e. www.bseindia.com. and www.nseindia.com. A copy of the Abridged Prospectus shall be submitted to Securities and Exchange Board of India ("SEBI").

SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED

Registered Office: A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044
Contact Person: Jagdeep Singh, Company Secretary
Telephone No. 011-49731800
Email Id: jsingh.del@schandgroup.com
CIN: U80904DL2010PTC204512

PROMOTERS OF THE COMPANY:
S Chand And Company Limited
OFFER DETAILS, LISTING AND PROCEDURE
BLACKIE & SON (CALCUTTA) PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 1"), NIRJA PUBLISHERS & PRINTERS PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 2"), DS DIGITAL PRIVATE LIMITED ("DEMERGED COMPANY NO. 1"), SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED ("DEMERGED COMPANY NO. 2") HOLDS NIL SHARES IN S CHAND AND COMPANY LIMITED (HEREINAFTER REFERRED TO AS THE "TRANSFEREE COMPANY NO. 1") CONSTITUTING NIL % OF THE PAID UP SHARE CAPITAL OF TRANSFREE COMPANY NO.1. THE PROPOSED SCHEME INVOLVES AMALGAMATION OF TRANSFEROR COMPANY NO. 1 AND TRANSFEROR COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO. 1. DEMERGER OF EDUCATION BUSINESSES OF DEMERGED COMPANY NO. 1 AND DEMERGED COMPANY NO. 2 WITH AND INTO TRANSFEREE COMPANY NO.1. THE REMAINING BUSINESS OF DEMERGED COMPANY NO. 1 TO BE MERGED WITH AND INTO DEMERGED COMPANY NO. 2. The details with respect to the meeting of the shareholders (including Postal Ballot and e-voting) of the Transferee Company No. 1 as convened in accordance with Sections 230-232 of the Companies Act, 2013, and e-voting required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the Scheme would be placed before the shareholders, shall be published in two newspapers directed by the Hon'ble National Company Law Tribunal ("NCLT"), Bench at New Delhi. DETAILS ABOUT THE BASIS FOR THE VALUATION OF SHARES IN ACCORDANCE WITH THE SCHEME AND THE VALUATION REPORT AND FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITES OF THE TRANSFEREE COMPANY NO. 1 AND STOCK EXCHANGES. **Procedure:** The procedure with respect to Public Issue/Offer would not be applicable as this issue is only to the shareholders of the Demerged Company No. 1, pursuant to the Scheme without any consideration. Hence, the procedure with respect to GID may be applicable only to the limited extent as specifically provided.
ELIGIBILITY FOR THE ISSUE
Whether the company is compulsorily required to allot at least 75% of the net offer to public, to qualified institutional buyers- **Not Applicable**
INDICATIVE TIMETABLE
The Abridged Prospectus is issued pursuant to the Scheme and not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from Regulatory Authorities, including NCLT.
GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Demerged Company No. 2, including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 5 of this Abridged Prospectus

PRICE INFORMATION OF LEAD MANAGER	
Not Applicable- the present Abridged Prospectus is not being issued as a result of public offer and being issued to the shareholders of Demerged Company No. 1, pursuant to the Scheme.	
GENERAL INFORMATION	
Name of Merchant Banker	Turnaround Corporate Advisors Private Limited Heemadri Mukerjea, Managing Director Telephone no.: 011 45510390 Email id: info@tcagroup.in
Name of Syndicate Members	Not Applicable

Name of Registrar to the Issue and contact details (telephone and email id)	Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Telephone: 011-41410592 Email: bharatb@linkintime.co.in
Name of Statutory Auditor	M/s. Madan & Associates, Chartered Accountants
Name of Credit Rating Agency and the rating or granting obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self Certified Syndicate Banks	Not Applicable
Non Syndicate Registered Brokers	Not Applicable
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	Not Applicable

PROMOTER OF DEMERGED COMPANY NO. 2

<u>S Chand And Company Limited (“S Chand”)</u>

S Chand is a public limited company duly incorporated under the provisions of The Companies Act, 1956 on September 09, 1970 bearing a corporate identity number L22219DL1970PLC005400 and having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044. The equity shares of S Chand are listed on BSE Limited and National Stock Exchange of India Limited. S Chand is engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children books.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATERGY

Business Overview: Safari Digital Education Initiatives Private Limited (“**Safari**”) is a private limited company duly incorporated on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044. Safari is inter alia engaged in the business of rendering digital and blended education solutions for schools.

Business Strategy :

Safari continues to grow steadily by providing complete academic curriculum solutions to schools along with services. It has also expanded beyond India into Middle East. In order to build stronger engagement with various stakeholders like schools, teachers and students, it is investing in technology initiatives like teacher tablet, student learning app and remote training platform. This will also help it grow by providing consistent quality of services at a large scale, across geographies.

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole-Time/Executive/Nominees)	Experience including current/past position held in other firms
1.	Mr. Saurabh Mittal	Non-Executive, Non-Independent Director	Mr. Saurabh Mittal, aged 46 years, is a Non-Executive, Non-Independent Director of our Company. He holds a bachelor’s degree in commerce from the University of Delhi. He is a fellow member of the Institute of Chartered Accountants of India. He has an experience of more than 12 years in the knowledge products and services industry. He was appointed as a Director of our Company on December 15, 2014.
2.	Mr. Sharad Talwar	Non-Executive, Independent Director	Mr. Sharad Talwar, aged 56 years, is an Independent Director of our Company. He holds a degree of Master in Business Administration from Indian Institute of Management, Ahmedabad and a degree of B-Tech from Indian Institute of Technology, Kharagpur. He has 30 years of experience in strategic planning, building and growing businesses in large multinational organizations across Technology, Education, Service, ITES/BPO and KPO sectors. He was appointed as an Independent Director of our Company on November 10, 2016.
3.	Mr. Rajagopalan Chandrashekar	Non-Executive, Independent Director	Mr. Rajagopalan Chandrashekar, aged 42 years, is an Independent Director of our Company. He is an Industrial Engineer from NIT Jalandhar and a management graduate from NITIE Mumbai. He has 17 years of experience in strategy, corporate planning and business development. He was appointed as an Independent Director of our Company on November 10, 2016.

Details of means of finance- Not Applicable

Object- Demerger of education businesses of Demerged Company No. 1 and Demerged Company No. 2 with and into Transferee Company No.1. The remaining business of Demerged Company No. 1 to be merged with and into Demerged Company No. 2.

Upon demerger of education business of Demerged Company No. 1 and Demerged Company No. 2 with and into Transferee Company No. 1, the Demerged Company No. 2 shall become a direct wholly-owned subsidiary of Transferee Company No. 1 and also substantial equity shares and all preference shares of Demerged Company No.1 are held by Transferee Company No. 1 and Demerged Company No. 2, therefore, the Transferee Company No. 1 shall not issue any shares neither to itself nor to Demerged Company No. 2. However, Transferee Company No. 1 will issue shares to the other shareholders of Demerged Company No. 1 in the ratio of 1:117.

Upon merger of the remaining business of Demerged Company No. 1 with and into Demerged Company No. 2, the equity and preference shares of the Demerged Company No. 1 held by Demerged Company No. 2 shall stand cancelled. Demerged Company No. 2 will issue shares to other shareholders of Demerged Company No. 1 in the ratio 2:17.

Rationale and Benefits of the Scheme: The circumstances which justify and / or necessitate the proposed Composite Scheme of Arrangement amongst Blackie & Son (Calcutta) Private Limited, Nirja Publishers & Printers Private Limited, DS Digital Private Limited, Safari Digital Education Initiatives Private Limited, S Chand And Company Limited and their respective shareholders and creditors are, inter alia, as follows:

a) Amalgamation of Transferor Company No. 1 and Transferor Company No. 2 and demerger of education business of Demerged Company No. 1 and Demerged Company No. 2 with and into the Transferee Company No. 1 would result in consolidation of similar business activities of printing, publication and production of books and rendering of digital education services into a single entity, i.e., Transferee Company No. 1 thereby enabling the Transferee Company No. 1 to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

b) Amalgamation of Demerged Company No. 1 with and into Demerged Company No. 2 would result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Demerged Company No. 2 thereby to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

SHAREHOLDING PATTERN			
Sr. No.	**Particulars**	**Pre Issue number of shares**	**% Holding of Pre issue**
1.	Promoter & Promoter Group	44,369,268	100
2.	Public	0	0
	Total	44,369,268	100
Number / amount of equity shares to be sold by selling shareholders – Not Applicable			

STANDALONE AUDITED FINANCIALS

(Rs. in Crores, except where specifically stated)

Standalone	**September 30, 2019 (un-audited subjected to limited review)**	**For the year ended March 31**				
		2019	**2018**	**2017**	**2016**	**2015**
Total income from operations (net)	1.06	17.59	12.76	5.96	2.82	1.35
Net Profit / (Loss) before tax and extraordinary items	(11.65)	(10.27)	(4.12)	(3.24)	(1.99)	(0.70)
Net Profit / (Loss) after tax and extraordinary items	(8.68)	(14.30)	(1.50)	(3.24)	(1.99)	(0.70)
Equity Share Capital	44.37	44.37	44.37	44.37	44.37	42.82
Reserve and Surplus	(30.94)	(22.26)	(7.93)	(6.39)	(3.15)	(1.17)
Net worth	13.43	22.11	36.44	37.98	41.22	41.65

Basic & Diluted earnings per share (Rs.)	(1.96)	(3.22)	0.00	(0.73)	(0.45)	(0.16)
Return on net worth (%)	(64.61%)	(64.69%)	(4.10%)	(8.53%)	(4.82%)	(1.68%)
Net asset value per share (Rs.)	3.03	4.98	8.21	8.56	9.29	9.73

INTERNAL RISK FACTORS

1. Our sales seasonality materially effects operating revenue, margins and cash flows from quarter to quarter. Accordingly, as per our management estimates, our operating revenues and margins during the first three fiscal quarters have typically been lower, compared to the fourth fiscal quarter. These factors may make it difficult for us to prepare accurate internal financial forecasts. Lower than expected net sales in the fourth quarter of a given financial year could have a material adverse effect on our business, results of operations and financial condition.

2. Our holding Company as well as our group companies have objects similar to that of our company's business and is engaged in the same and/ or similar line of business/industry in which our company operates. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.

3. We operate in a dynamic industry and on account of changes in market conditions, industry parameters, or technological improvements, we may not be able to effectively implement our business and growth strategies and achieve future growth.

4. Our business and results of operations may be adversely effected by many factors outside our control, including changes in national, state and local education funding, general economic conditions, changes in the educational procurement process and changes to the syllabus and curriculum standard.

5. Our insurance coverage may not adequately protect us against losses due to accidents, fire, earth quake, or any other natural calamities. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

A. Total number of outstanding litigations against the company and amount involved: NIL

B. Brief Details of top 5 material outstanding litigations against the company and amount involved: NIL

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchange against Promoters in last 5 financial years including outstanding action, if any: No action

D. Details of outstanding criminal proceedings against promoters: There is a criminal complaint filed by Mr. Jay Kant Mishra against S Chand before the Tis Hazari Court, New Delhi. However till now no documentary evidences, substantiating the charges against S Chand for the same, has been filed with the Court. Further, the Court has not issued any summons/notices to S Chand in this regard.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For Safari Digital Education Initiatives Private Limited

Sd/-
Sheeba Dhamija
Company Secretary
Membership No. A29705

Date: February 13, 2020
Place: New Delhi

Date: February 13, 2020

Ref: TCA/SCHAND-SAFARI/AP/19-20

To,
The Board of Directors
SAFARI DIGITAL EDUCATION INITIATIVES PRIVATE LIMITED
A-27, 2nd Floor, Mohan Co-operative Industrial Estate,
New Delhi-110044

Sub: Certificate on adequacy and accuracy of disclosure of information in the Abridged Prospectus of Safari Digital Education Initiatives Private Limited in compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the purpose of proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

Dear Sirs,

1. **Background:**

We, M/s Turnaround Corporate Advisors Private Limited, a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012290 have been appointed by M/s S Chand And Company Limited having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110044 ("**S Chand**" or "**Transferee Company No. 1**") for the purpose of certifying the adequacy and accuracy of disclosure of information provided in the Abridged Prospectus of Safari Digital Education Initiatives Private Limited ("**Safari**" or "**Demerged Company No. 2**") in connection with the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1") and their respective shareholders and creditors (under Section 230-232 of The Companies Act, 2013 and the rules made thereunder.

2. **About Turnaround Corporate Advisors Private Limited:**

Turnaround Corporate Advisors Private Limited (hereinafter referred to as "**Turnaround**" or "**TCA**" or "**we**" or "**us**") is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 with the Registrar of Companies, NCT of Delhi and Haryana. TCA is a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration No.: MB/INM000012290.

3. **Scope and Purpose of the Certificate:**

SEBI vide Circular no. CFD/ DIL3/ CIR/2017/21 dated March 10, 2017 ("**SEBI Circular"**) inter-alia prescribed that the listed entity (in the present case "**S Chand**") shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme (in the present certificate, "**Safari**") in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

4. **Certification:**

We state and confirm as follows:

1. We have examined various documents and other materials made available to us in by the management of S Chand/Safari in connection with finalization of Abridged Prospectus dated February 13, 2020 pertaining to Safari which will be circulated to the members of Safari and S Chand at the time of seeking their consent to the proposed scheme of arrangement amongst Blackie & Son (Calcutta) Private Limited ("Transferor Company No. 1"), Nirja Publishers & Printers Private Limited ("Transferor Company No. 2"), DS Digital Private Limited ("Demerged Company No. 1"), Safari Digital Education Initiatives Private Limited ("Demerged Company No. 2") And S Chand And Company Limited ("Transferee Company No. 1"), as a part of explanatory statement to the notice.

2. On the basis of such examination and the discussion with the management of S Chand/Safari, we confirm that:

   A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to Safari.

B. The Abridged Prospectus contains applicable information pertaining to Safari as required in terms of SEBI Circular which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Proposed Scheme of Arrangement.

5. <u>Disclaimer:</u>

Our scope of work did not include the following:-

- An audit of the financial statements of Safari.
- Carrying out a market survey / financial feasibility for the Business of Safari.
- Financial and Legal due diligence of Safari.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of Safari.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of S Chand/Safari during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our Certificate.

The fee for our services is not contingent upon the result of the proposed Scheme of Arrangement.

The management of S Chand and Safari or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate. Our certificate is not, nor should it be constructed as our opinion or certification of the the compliance of the proposed Scheme of Arrangement with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

In no event, will TCA, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For **Turnaround Corporate Advisors Private Limited**

Sd/-
(HEEMADRI MUKERJEA)
Managing Director

ROUTE MAP FROM QUTAB MINAR TO THE EXECUTIVE CLUB