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MADAN & ASSOCIATES

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF S. CHAND EDUTECH PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **S. Chand Edutech 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, ("IndAS") 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 IndAS 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

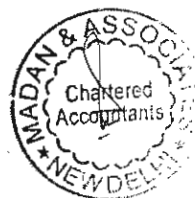
Firm's registration number: 000185N

M. K. Madan

M. K. Madan

Proprietor

Membership number: 082214



Place: New Delhi

Date: 17.5.2019

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 fixed assets comprising of vehicle and computers. The amount is not significant. It has been certified by the management that the assets were verified during the year and 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:
Company does not have inventory, therefore para 3(ii) of the order is not applicable to the company.
- (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, the Company has not given any loans and made any investment within the meaning of section 185 & 186 of the Act. Thus, paragraph 3(iv) of the Order is not applicable to the Company.
- (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

M. K. Madan

M. K. Madan
Proprietor

Membership number: 082214

Place: New Delhi

Date:

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 **S Chand Edutech 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

M. K. Madan

M. K. Madan

Proprietor

Membership number: 082214

Place: New Delhi

Date: 17.5.2019

S. Chand Edutech Private Limited
CIN: U80302DL2010PTC206251
Balance sheet as at 31 March 2019

Particulars	Notes	As at	
		31 March 2019	31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	3	3,132,549	2,832,224
Intangible assets	4	26,702,275	2,925,341
Intangible assets under development	4A	34,037,918	23,727,163
Other non-current assets	5	-	2,417
Total non-current assets		63,872,742	29,487,145
Current assets			
Inventories	6	8,449,189	-
Financial assets			
- Trade receivables	7A	9,231,088	477,500
- Loans	7B	458,350	352,150
- Cash and cash equivalents	7C	3,625,558	1,833,162
Other current assets	5	13,567,260	1,664,855
Total current assets		35,331,444	4,327,667
Total assets		99,204,186	33,814,812
Equity and liabilities			
Equity			
Equity share capital	8	40,165,200	212,700
Other equity			
- Retained earnings	9	(48,210,259)	(29,674,337)
Total equity		(8,045,059)	(29,461,637)
Non-current liabilities			
Financial liabilities			
- Borrowings	10A	58,843,645	20,000,000
- Other financial liabilities	11	5,084,092	692,711
Net employee defined benefit liabilities	12	186,278	17,668
Other non-current liabilities	13	-	-
Total non current liabilities		64,114,015	20,710,379
Current liabilities			
Financial liabilities			
- Borrowings	10B	-	21,843,645
- Trade payables	14		
- micro enterprises and small enterprises			
- other than micro enterprises and small enterprises		39,549,747	19,780,680
- Other financial liabilities	11	-	-
Net employee defined benefit liabilities	12	141,951	48
Other current liabilities	13	3,443,532	941,697
Total current liabilities		43,135,230	42,566,070
Total equity and liabilities		99,204,186	33,814,812

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 attached

For Madan & Associates
Chartered Accountants
Firm Registration No. 000185N

M.K. Madan

M.K. Madan
Proprietor
Membership No. 82214

Place : New Delhi
Date : 17.5.2019



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

Himanshu Gupta
Himanshu Gupta
Director
PIN: 00054015

Dinesh Kumar
Dinesh Kumar
Jhunjhunwala
Director
DIN: 00282988

S. Chand Edutech Private Limited
 CIN: U80302DL2010PTC206251
 Statement of Profit and Loss for the year ended 31 March 2019

Particulars	Notes	For the period ended 31 March 2019	For the year ended 31 March 2018
I Revenue from Operations	15	12,051,142	550,000
II Other Income	16	199,060	158,023
III Total Income		<u>12,250,203</u>	<u>708,023</u>
IV Expenses			
Purchases of goods	17	9,940,404	
(Increase)/ Decrease in Inventories	18	(8,449,189)	
Selling & distribution expenses	19	5,937,598	
Employee benefits expense	20	5,515,979	20,630
Finance cost	21	4,149,653	333,704
Depreciation and amortisation expense	22	7,531,984	955,466
Other expenses	23	6,079,642	558,466
Total expenses		<u>30,706,071</u>	<u>1,868,266</u>
V Profit/(loss) before exceptional items and tax		(18,455,868)	(1,160,243)
VI Exceptional item		-	-
VII Profit/(loss) before tax		<u>(18,455,868)</u>	<u>(1,160,243)</u>
VIII Tax expense:			
Current tax		-	-
Income tax adjustment related to earlier years		-	-
Deferred tax (credit)/ charge		-	-
Total tax expenses		<u>-</u>	<u>-</u>
IX Profit (Loss) for the period		(18,455,868)	(1,160,243)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss	24		
Re-measurement (gains)/losses on defined benefit plans		80,054	17,716
Income Tax effect			
XI Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<u>(18,535,922)</u>	<u>(1,177,959)</u>
XII Earnings per equity share:	25		
(1) Basic		(6.63)	(54.55)
(2) Diluted		(6.63)	(54.55)
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
 Firm Registration No. 000185N

M.K. Madan

M.K. Madan
 Proprietor
 Membership No. 82214

Place : New Delhi
 Date : 17.5.2019

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

Himanshu Gupta

Himanshu Gupta
 Director
 DIN: 00054015

Dinesh Kumar

Dinesh Kumar
 Jhunjhunwala
 Director
 DIN: 00282988



S. Chand Edutech Private Limited
 CIN: U80302DL2010PTC206251

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

A. Equity share capital:

Issued, subscribed and fully paid up (Share of ₹ 10 each)	No. of shares	Amount in ₹
At 1 April 2017	21,270	212,700
Issued during the year	-	-
At 31 March 2018	21,270	212,700
Issued during the year	1,595,250	15,952,500
At 31 March 2019	1,616,520	16,165,200

B. Other equity

Particulars	Reserve & Surplus	
	Retained earnings	Total
As at 31st March 2017	(28,496,378)	(28,496,378)
Profit for the year	(1,160,243)	(1,160,243)
Other comprehensive income for the year	(17,716)	(17,716)
Total Comprehensive Income for the year	(1,177,959)	(1,177,959)
As at 31st March 2018	(29,674,337)	(29,674,337)
Profit for the period	(18,455,868)	(18,455,868)
Other comprehensive income for the year	(80,054)	(80,054)
Total Comprehensive Income for the year	(18,535,922)	(18,535,922)
As at 31 March 2019	(48,210,259)	(48,210,259)

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 Madan & Associates
 Chartered Accountants
 Firm Registration No. 000185A

M.K. Madan

M.K. Madan
 Proprietor
 Membership No. 82214

Place: New Delhi
 Date: 17.5.2019

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

Emmanuel Gupta
 Director
 DIN: 00084015

Dinesh Kumar Jhanghuwala
 Director
 DIN: 00282988



Cash flow statement for the period ended 31 March 2019

	Notes	As at 31 March 2019	As at 31 March 2018
(Amount in ₹)			
A. Cash flow from operating activities			
Profit before tax		(18,455,868)	(1,160,243)
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		7,531,984	955,466
(Profit)/loss on sale of fixed assets (net)		-	(1,055)
Interest income		-	(156,968)
Profit on sale of investment		(199,060)	-
Interest expense		4,128,825	321,753
Operating profit before working capital changes		(6,994,120)	(41,047)
Movement in working capital			
(Increase)/Decrease in trade receivables		(8,753,588)	(474,609)
(Increase)/Decrease in loans and advances		(1,06,200)	(352,150)
(Increase)/Decrease in other assets		(11,902,405)	(1,537,402)
Decrease/(increase) in inventories		(8,449,159)	-
Increase/(decrease) in trade payables		19,769,067	5,157,187
Increase/(decrease) in interest payables		4,391,381	-
Increase/(decrease) in other liabilities		2,643,738	1,591,088
Cash generated from operations		(9,401,316)	4,343,067
Direct taxes paid (net of refunds)		-	-
Net cash from operating activities	(A)	(9,401,316)	4,343,067
B. Cash flows from investing activities			
Purchase of fixed assets including capital advances, capital creditors and capital work-in-progress		(44,472,890)	(21,933,378)
Proceeds from sale of fixed assets		-	3,501
Profit on sale of investment		199,060	-
Interest received		-	156,968
Net cash used in investing activities	(B)	(44,273,830)	(31,772,908)
C. Cash flows from financing activities			
Issue of shares		39,952,500	-
Interest paid on borrowings		(1,484,959)	(784,799)
Proceed from borrowings		17,000,000	20,000,000
Net cash used in financing activities	(C)	55,467,541	19,215,201
Net increase in cash and cash equivalents	(A+B+C)	1,792,396	1,785,360
Cash and cash equivalents at the beginning of the year		1,833,162	47,802
Cash and cash equivalents at the end of the year		3,625,558	1,833,162
Components of cash and cash equivalents			
Cash on hand		783	11,543
Balances with banks			
- on current accounts		3,624,775	1,821,619
Total cash and cash equivalents (note 7C)		3,625,558	1,833,162
Summary of significant accounting policies			
21			

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

As per our report of even date

For Madan & Associates
Chartered Accountants
Firm Registration No. 000185N

M.K. Madan

MLK Madan
Proprietor
Membership No 82214

Place New Delhi
Date 17.5.2019



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

Himanshu Gupta
Himanshu Gupta
Director
DIN: 00054015

Dinesh Kumar Jhunjhunwala
Dinesh Kumar Jhunjhunwala
Director
DIN: 00282988

1. Company information

S. Chand Edutech Private Limited (the company) is a private company incorporated under the provisions of the Companies Act, 1956. The company is wholly owned subsidiary of Safari Digital Education Initiative Private Limited. The registered office of the company is located at A 27 , Mezzanine Floor, Mohan Co-operative industrial Estate , Delhi- 110044. The company is primarily engaged in promoting simulation based blended learning solutions in technical education field in India.

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

2. Significant accounting policies

2.1 Basis of preparation

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

For all periods up to and including the year ended 31 March 2019, the Company prepared its standalone financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounting Standards) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind AS. Reconciliation and description of effect of transition to Ind AS has been summarised in Note 25 (ii).

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

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

2.2 Summary of significant accounting policies

a.) Current versus non-current classification

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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



All other liabilities are classified as non-current.

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

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

b.) Foreign currencies

Functional and presentational currency

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

Transactions and balances

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

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

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

c.) Fair value measurement

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

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

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

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

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

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

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



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

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

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

External valuer 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.

d.) Revenue recognition

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

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

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of sales returns, turnover discounts and cash discounts.

Sale of services

Revenue from sale of services is recognised on accrual basis as and when services are provided and invoices raised during the financial year.

Interest income

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



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

e.) Income taxes

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

Current income tax

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

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in 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:

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss



- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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.

f.) Property, plant and equipment

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

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

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
Office equipment	5 years	5 years
Vehicle	8 years	8 years
Computer	3 years	3 years

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

Second hand property, plant & equipment purchased during the year is depreciated considering its useful life based upon management's assessment.

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

g.) 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.

On transition to Ind AS, 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, as at 1st April 2016.

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.

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 (3 years)	Amortized on straight line basis over the period of useful lives	Acquired
Copyrights	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired
Website Designing	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired
Technical Knowhow	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired

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:

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



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

h.) Borrowing cost

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

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

i.) 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.

j.) 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.

k.) 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



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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.) Financial Instruments

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

Financial assets

Initial recognition and measurement

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



Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

Debt instrument at FVTOCI

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

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

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

Debt instruments at FVTPL

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

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

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

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



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

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

Impairment of financial assets

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

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

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:

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.

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.

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.

m.) Retirement and other employee benefits

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.



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

n.) Provisions

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

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

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 required to settle the obligation the provision is reversed.

o.) 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.

p.) 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.

q.) 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.



3. Property, plant and equipment

Particulars	(Amount in ₹)				
	Furniture & Fixtures	Vehicle	Office equipments	Computers	Total
Gross block					
As at 31 March 2018	-	2,200,000	25,500	650,939	2,876,439
Additions	15,323	-	46,704	894,340	956,367
Disposals	-	-	-	-	-
As at 31 March 2019	15,323	2,200,000	72,204	1,545,279	3,832,806
Accumulated depreciation					
As at 31 March 2018	-	12,884	292	31,039	44,215
Charge for the year	1,013	26,750	14,075	382,705	656,043
Deductions	-	-	-	-	-
As at 31 March 2019	1,013	274,134	14,367	413,744	700,258
Net block					
As at 31 March 2018	-	2,187,116	25,208	619,900	2,832,224
As at 31 March 2019	14,310	1,925,866	60,837	1,131,535	3,132,549

4. Intangible assets

Particulars	(Amount in ₹)					Total
	Content Development	Computer Softwares	Copyrights	Website Designing	Technical Knowhow	
Cost**						
As at 31 March 2018	-	165,780	1,076,158	113,491	3,205,332	4,560,661
Purchases/internal development	25,644,597	225,000	138,888	170,000	-	26,178,485
Disposals	-	-	-	-	-	-
As at 31 March 2019	25,644,597	390,780	1,215,058	283,491	3,205,332	30,739,158
Accumulated amortization						
As at 31 March 2018	-	9,878	388,563	36,324	1,200,564	1,635,339
Amortization for the year	1,424,864	92,000	212,295	32,570	634,827	2,401,565
Deductions	-	-	-	-	-	-
As at 31 March 2019	1,424,864	106,888	600,858	68,904	1,835,391	4,036,904
Net block						
As at 31 March 2018	-	155,822	687,595	77,157	2,004,767	2,925,341
As at 31 March 2019	24,219,733	283,812	614,201	214,587	1,369,941	26,702,375

4A. Intangible assets under development

The company is actively working on its three projects - Project Test Coach, Smart K & website. The cost incurred on respective projects till the reporting date is debited to capital work in progress, project wise details are shown as below.

Particular	(Amount in ₹)					
	Balance as on 1st April 2018	Addition	Deletion/Capitalisation	Balance as on 31st March 2019	Date of completion	Expected date of completion
Project Test Coach	6,125,766	16,829,996	-	22,955,762	NA	30-Sep-17
Project VRN (1)	4,391,216	-	4,391,216	-	31-May-18	NA
Project VRN (2)	-	8,705,090	8,705,090	-	31-Mar-19	NA
Project Navi Navi	8,565,805	4,132,178	12,697,983	-	30-Sep-18	NA
Project Smarts	-	10,757,157	-	10,757,157	NA	01-Dec-19
Website under development	173,000	325,000	179,999	325,000	NA	01-Sep-19
Project Smart Watch	4,474,378	-	4,474,378*	-	NA	NA
	23,727,163	40,749,731	30,438,975	34,037,918		

*An amount of ₹ 44,74,378 for Project Smart Watch, which was under review of management, has been charged off to profit & loss account from Capital WIP. This amount is included in depreciation and amortization expense.



5. Other Assets

Particulars	(Amount in ₹)	
	As at	As at
	31 March 2019	31 March 2018
Prepaid expenses - Non Current	-	2,417
Prepaid expenses - Current	66,228	41,234
Advance with supplier	5,320,722	-
Balance with Govt Authorities	8,180,310	1,623,621
Total Other assets	13,567,260	1,667,272
Current	13,567,260	1,664,855
Non-Current	-	2,417

6. Inventories

Particulars	(Amount in ₹)	
	As at	As at
	31 March 2019	31 March 2018
Finished goods*	8,449,189	-
	8,449,189	-

* Non movement since 2nd quarter. Management is of the view that the same will be sold in the coming quarters. Hence no provision for slow moving/ non-moving inventory has been made.

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S. Chand Edutech Private Limited

CIN: U80302DL2010PTC206251

Notes to financial statement for the period ended 31 March 2019

7. Financial Assets

7A. Trade receivables

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Unsecured, considered good	9,231,088	477,500
Receivables from related parties	-	-
	<u>9,231,088</u>	<u>477,500</u>
Current	9,231,088	477,500
Non-Current	-	-

7B. Loans

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Security deposits	458,350	352,150
Loans - Current	-	-
Total Loans	<u>458,350</u>	<u>352,150</u>
Current	458,350	352,150
Non-Current	-	-

7C. Cash and cash equivalents

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- In current accounts	3,624,775	1,821,619
Cash in hand	783	11,543
Total Cash and cash equivalents	<u>3,625,558</u>	<u>1,833,162</u>
Current	3,625,558	1,833,162
Non-Current	-	-



8. Share Capital

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Authorised		
50,00,000 (31 March 2018: 1,00,000) equity shares of Rs 10/- each	50,000,000	1,000,000
Issued, subscribed and fully paid up		
10,16,520 (31 March 2018: 21,270) equity shares of Rs 10/- each	40,165,200	212,700
	<u>40,165,200</u>	<u>212,700</u>

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

Equity shares	Numbers	(Amount in ₹)
As at 1 April 2017	21,270	212,700
Increase/(Decrease) during the year	-	-
As at 1st April 2018	21,270	212,700
Increase/(Decrease) during the year	3,995,250	39,952,500
As at 31 March 2019	<u>4,016,520</u>	<u>40,165,200</u>

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. 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
S Chand And Company Limited	3,995,250	-
Safari Digital Education Initiatives Pvt Ltd	21,170	21,270
Himanshu Gupta*	100	-

*Shares held as nominee shareholder of Safari Digital Education Initiatives Pvt Ltd

d. Details of shareholders holding more than 5% equity shares in the Company:

	No. of shares held	% of holding
As at 31 March 2018		
Safari Digital Education Initiatives Pvt Ltd	21,270	100.00%
As at 31 March 2019		
S Chand And Company Limited	3,995,250	99.47%
Safari Digital Education Initiatives Pvt Ltd*	21,270	0.53%

*Equity shares held by Mr Himanshu Gupta as nominee shareholder of Safari Digital Education Initiatives Pvt Ltd

9. Other equity

Particulars	As at 31 March 2019	As at 31 March 2018
Retained earnings		
Balance as the beginning of reporting period	(29,674,337)	(28,496,378)
Add: surplus during the year	(18,535,922)	(1,177,959)
Balance as the end of reporting period	<u>(48,210,259)</u>	<u>(29,674,337)</u>

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10 Borrowings

10A. Non-current borrowings

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Unsecured Loans		
Loan from related party (refer note 6 & c below)	58,843,645	20,000,000
Total Non-current borrowings	58,843,645	20,000,000
Secured		
Unsecured	58,843,645	20,000,000

- a. The above outstanding amount includes amount of ₹ 20,000,000 taken as loan from S Chand And Company Limited. Terms of the loan @ 3 years and loan along with interest, is optionally convertible at the option of S Chand Edutech Pvt. Ltd. after one year and if not converted on or before 3 years, the loan shall be repaid by the Company on completion of 3 years. Rate of interest is 10.95% p.a. (i.e. SBI 2 Year MCLR + 250 Basis Points Per Annum) and shall be calculated annually at the end of each year for subsequent year till the date of payment.
- b. The above outstanding amount includes amount of ₹ 21,843,645 taken as loan from Satyam Digital Education Initiatives Private Limited. Rate of interest is 11.15% p.a. (i.e. SBI 2 year MCLR + 250 Basis Points Per Annum) and shall be calculated annually at the end of each year for subsequent year till the date of payment.
- c. The above outstanding amount includes amount of ₹ 17,000,000 taken as loan from Kalyana Prakasham Private Limited. Rate of interest is 11.15% p.a. (i.e. SBI 2 year MCLR + 250 Basis Points Per Annum) and shall be calculated annually at the end of each year for subsequent year till the date of payment. The loan shall be repaid by the Company on completion of 3 years.

10B. Current borrowings

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Unsecured Loans		
Loan from related party (refer note 6) below)	-	21,843,645
Total Current borrowings	-	21,843,645
Secured		
Unsecured	-	21,843,645

- a. The above outstanding amount includes amount of ₹ Nil (31 March 2018: ₹ 21,843,645) relates to Satyam Digital Education Initiatives Private Limited. The loan on demand has been classified as non-current borrowing as per mutual agreement between the lender and borrower.

11. Other financial liabilities

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Interest accrued but not due on borrowings	5,084,692	692,711
Total other financial liabilities	5,084,692	692,711
Current		
Non-current	5,084,692	692,711

12. Provisions for employee benefits

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Provision for leave encashment (Current)	141,951	-
Provision for gratuity (Non Current)	186,278	17,668
Provision for gratuity (Current)	48	-
Total provisions for employee benefits	328,277	17,668
Current		
Non-current	141,951	48
	186,278	17,668

Provision for Gratuity has been made on the basis of Actuary valuation report for the year ended 31st March 2019 and Provision for Leave Encashment is made on the basis of Act of resignation.

13. Other liabilities

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Statutory dues	2,156,848	216,629
Employee payables	1,242,882	629,698
Total Other liabilities	3,443,532	941,697
Current		
Non-current	3,443,532	941,697

14. Trade payables

Particulars	(Amount in ₹)	
	As at 31 March 2019	As at 31 March 2018
Trade payables of micro enterprises and small enterprises	56,892,565	47,349,777
Trade payables of related entities	2,957,187	636,400
Trade payables other than micro enterprises and small enterprises	89,501,237	19,780,680
Total Trade payables	1,49,350,989	1,67,766,857
Current		
Non-Current	1,49,350,989	1,67,766,857



15. Revenue From Operations

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Sale of products		
Finished goods	855,517	-
Sale of services*	11,195,625	550,000
Other operating revenue	-	-
Total revenue from operations	12,051,142	550,000
*Details of sale of services		
Home learning sale	8,095,625	-
Licenses Fees	2,500,000	550,000
	11,195,625	550,000

16. Other Incomes

16.1 Finance income

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Interest income		
- on fixed deposits	-	149,478
- on income tax refund	-	7,700
Total finance income	-	156,968

16.2 Other income

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Profit on sale of property, plant & equipment	-	1,055
Profit on sale of investment	199,060	-
Total finance income	199,060	1,055

17. Purchases of goods

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Finished Goods		
Learning Material Boxes	9,940,404	-
	9,940,404	-

18. (Increase)/ Decrease in Inventories

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Inventories at the end of the year		
Finished Goods	8,449,189	-
	8,449,189	-
Inventories at the beginning of the year		
Finished Goods	-	-
	-	-
Net (Increase)/ Decrease in Inventories	(8,449,189)	-

19. Selling & Distribution expenses

Particulars	For the period ended 31 March 2019	For the period ended 31 March 2018
Business Promotions	1,422,696	-
Exhibition Expense	4,314,902	-
Total selling & distribution expenses	5,937,598	-

20. Employee Benefits Expenses

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus*	4,897,065	-
Contribution to provident funds	278,195	-
Gratuity expense (refer note 27)	88,802	-
Staff welfare expenses	251,829	20,630
Total employee benefits expenses	5,515,979	20,630

*Total Salary cost for the current financial year is Rs. 27,28,020, out of which Rs. 2,28,57,106 has been capitalized in the running projects

21. Finance Cost

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Interest		
- on borrowings*	4,128,825	318,966
- on others	-	2,787
Bank charges	20,828	11,996
Total finance cost	4,149,653	333,704

* Total interest expenses debited to profit & loss is Rs. 48,79,321 out of which Rs. 7,50,496 has been capitalized



22. Depreciation and Amortisation Expenses

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant & equipment	656,041	44,215
Amortisation of intangible assets	2,401,565	854,263
Amount charged off of Capital WIP for Project Smart Watch	4,474,378	-
Total depreciation and amortisation expenses	7,531,984	958,466

23. Other Expenses

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Books & periodicals	3,000	-
Conveyance expenses	630,857	1,057
Repair & Maintenance -		
- Computers	160,145	18,062
- on others	6,950	1,000
Rent	712,528	7,780
Rates and taxes	556,951	9,867
Insurance expense	30,824	-
Legal and professional fee	259,372	119,000
Membership and subscriptions	20,000	-
Management shared services*	3,924,557	-
Printing & Stationery	16,558	7,200
Bad debts	-	7,894
Foreign Travelling expenses	-	80,912
Web database charges	197,813	-
Payment to auditor (refer details below)	100,000	100,000
Exchange Rate Difference	-	201,736
Miscellaneous expenses	58,132	-
Total other expenses	6,079,642	558,466

* Total management shared services of 12914736 out of which 9295410 has been capitalised

Payment to auditor

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
As auditor		
Audit fee	100,000	100,000
	100,000	100,000

24. Components of Other Comprehensive Income (OCI)

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

Particulars	For the period ended 31 March 2019	For the year ended 31 March 2018
Re-measurement (gains) losses on defined benefit plans	80,054	17,716
	80,054	17,716

25. 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 period ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity holders of the company	(18,325,868)	(1,190,713)
Weighted average number of equity shares used for computing Earnings per Share (Basic & Diluted)	17,716	21,270
Basic EPS	(1,034)	(51,55)
Diluted EPS	(1,034)	(51,55)



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26. Related party transactions

a. Names of related parties and related party relationship

Related parties where control exists	
Holding Company	S Chand And Company Limited Safar Digital Education Initiatives Private Limited till 31 Mar 2018
Related parties with whom transactions have taken place during the year	
Enterprise in which KMP or their relatives exercise significant influence	S Chand And Company Limited till 31 Mar 2018 Safar Digital Education Initiatives Private Limited till 31 Mar 2018 New Sanskrit House, India Private Limited Chhaya Prakashan Private Limited Vikas Publishing House Pvt. Ltd Smaranika Labs Private Limited
Key Management Personnel	Mr. Hanumanthappa, Finance Strategist and Director Mr. Dinesh Kumar Hanumanthappa, Director Mr. Sumanth Mutal, Director till 28 March 2018

b. Transactions with the related parties

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

Nature of transactions	Year Ended	Holding Company	Enterprise over which KMP or their relatives exercise significant influence	Key Management Personnel	Total
Sales of Services					
S Chand And Company Limited	31 March 2019 31 March 2018	2500000	-	-	2,500,000
Sale of Goods					
S Chand And Company Limited	31 March 2019 31 March 2018	531,410	-	-	531,410
Loans & advances received					
Safar Digital Education Initiatives Private Limited	31 March 2019 31 March 2018	-	-	-	864,000
Purchases					
Vikas Publishing House Pvt Ltd	31 March 2019 31 March 2018	2,757,674	-	-	-
Advertisement Expenses					
S Chand And Company Limited	31 March 2019 31 March 2018	1,189,456	-	-	1,189,456
New Sanskrit House India Private Limited	31 March 2019 31 March 2018	865,310	-	-	865,310
Management Shared Services					
S Chand And Company Limited	31 March 2019 31 March 2018	12,914,736	-	-	12,914,736
Interest expenses					
S Chand And Company Limited	31 March 2019 31 March 2018	2,220,783	-	-	2,220,783
Safar Digital Education Initiatives Private Limited	31 March 2019 31 March 2018	2,455,566	(789,316)	-	2,455,566
Chhaya Prakashan Private Limited	31 March 2019 31 March 2018	222,972	-	-	222,972
Reimbursement of expenses					
S Chand And Company Limited	31 March 2019 31 March 2018	14,184,192	-	-	14,184,192
Repayment of Loans & advances					
Safar Digital Education Initiatives Private Limited	31 March 2019 31 March 2018	(864,000)	-	-	(864,000)
Investment in equity Shares					
S Chand And Company Limited	31 March 2019 31 March 2018	39,932,500	-	-	39,932,500
Repayment of reimbursement of expenses					
S Chand And Company Limited	31 March 2019 31 March 2018	-	(2,500,000)	-	(2,500,000)
Development work of Project VRX					
Smaranika Labs Private Limited	31 March 2019 31 March 2018	8,580,000	812,000	-	9,422,000
			(1,200,000)	-	(1,200,000)

c. Balance Outstanding

The following table provides the total amount outstanding with related parties at the end of financial year

Nature of transactions	Year Ended	Holding Company	Enterprise over which KMP or their relatives exercise significant influence	Key Management Personnel	Total
Trade Payables					
S Chand And Company Limited	31 March 2019 31 March 2018	31,126,388	(19,149,777)	-	31,126,388
Vikas Publishing House Pvt Ltd	31 March 2019 31 March 2018	2,946,943	-	-	2,946,943
Long term borrowings					
Safar Digital Education Initiatives Private Limited (Principal Amount)	31 March 2019 31 March 2018	21,843,645	21,843,645	-	21,843,645
Safar Digital Education Initiatives Private Limited (Interest Amount)	31 March 2019 31 March 2018	2,192,009	-	-	2,192,009
S Chand And Company Limited (Principal Amount)	31 March 2019 31 March 2018	20,000,000	(20,000,000)	-	20,000,000
S Chand And Company Limited (Interest Amount)	31 March 2019 31 March 2018	2,691,408	(692,711)	-	2,691,408
Chhaya Prakashan Private Limited (Principal Amount)	31 March 2019 31 March 2018	17,000,000	-	-	17,000,000
Chhaya Prakashan Private Limited (Interest Amount)	31 March 2019 31 March 2018	200,675	-	-	200,675

* Represents amount carried on account of grant of rights for the licensed content. The product being specific and of specialized nature expected to be on a non-regular basis in absence of availability of market prices.



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27. Gratuity and other post-employment benefits plan

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed at least five years of service/employment on

The following tables summarize the components of net benefit expense recognised in the profit and loss account and actuarial remeasurement in the balance sheet

Statement of Profit & Loss account**Net employee benefit expense recognised in employee Cost:**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Service cost	87,547	-
Interest cost on defined obligation	1,345	-
	88,892	-

Amount recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Actuarial (gains) - losses on obligation	80,053	17,716
	80,053	17,716

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening defined benefit obligation	17,716	-
Current service cost	87,547	-
Interest cost	1,345	-
Benefits paid	-	-
Actuarial (gains) - losses on obligation	80,053	17,716
Closing defined benefit obligation	186,662	17,716
Current Portion	383	48
Non - Current Portion	186,279	17,668

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Financial assumptions		
Discount rate	7.19%	7.60%
Expected rate of return on assets	N/A	N/A
Expected rate of salary increase	8.00%	8.18%
Demographic assumptions		
Retirement Age (in years)	60 years	60 years
Employee turnover	10.00%	10.00%
Mortality Rate	IAI, AI (20% - 0%) Ultimate	IAI, AI (20% - 0%) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as:

The impact of sensitivity analysis due to changes in the significant actuarial assumptions in the defined benefit obligations is given in below table:

Particulars	Change in assumptions	For the year ended	For the year ended
		March 31, 2019	March 31, 2018
Discount rate	+1%	160,877	15,781
	-1%	220,043	20,040
Expected rate of salary increase	+1%	200,730	21,710
	-1%	180,643	15,720

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of each change.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Year 1	383	0
Year 2	380	50
Year 3	308	51
Year 4	424	53
Year 5	24,120	55
Year 6 to 10	112,878	13,325



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28. Company has suffered loss of Rs. 7.84 crores during the year. Retained earnings as at the year end is in Negative figure of 4.82 crores against total equity of Rs. 4.01 crores. During the year a sum of Rs. 3.99 crores has been infused as additional equity. Management is committed to infuse more equity in the coming years. Profitability of the company is likely to be improved after completion of the existing projects in the financial year 2019-20. In this background, as per Assessment of the management the Going Concern is not affected as no material uncertainty exists with regard to assumption of Going Concern.
29. Figures for the previous year have been regrouped / reclassified, wherever necessary, to correspond with the current period's classifications / disclosures.



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