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S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of S Chand and Company Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of S Chand and Company Limited ("the Company"), which comprise the Balance sheet as at 31st March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

As explained in the note 54 of the standalone financial statement, due to travel restrictions and impracticability to travel on account of COVID-19 as at 31st March 2020and due to significant business activities subsequent to year-end, the management could not perform physical count of inventory as at 31st March 2020through to the date of approval of these financial statements. Accordingly, we were not able to observe the physical count of inventory, therefore, we were unable to verify the existence/condition of inventories of INR 103.55 million raw material, INR 556.40 million finished goods, INR 3.18 million traded goods to determine adjustments that may be required to be made in the value of inventory and consequential effect thereof to the financial statements as at 31st March 2020.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter - COVID-19

We draw attention to Note 53 to the standalone financial statement for the year ended 31st March 2020, which describes the uncertainties and the impact of COVID 19 on i) carrying value of receivables, inventory, Right to Use assets and Investment in subsidiaries and ii) Company's ability to meet contractual obligations including debt repayments, as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Impairment of loans and investments in subsidiaries (as described in note 2.13 of the financial statements)	
As at 31st March 2020, the carrying values of the Company's interests in subsidiaries namely D S Digital Private Limited ("DS Digital") and Safari Digital Education Initiative Private Limited ("Safari Digital"), amounted to INR 253 million and INR 198 million respectively. Management reviewed regularly whether there are any indicators of impairment of the investments. Impairment indicators were observed on the loans and investments in DS Digital and Safari Digital. As a result, an impairment assessment was required to be performed by comparing the carrying value of these subsidiaries to their recoverable amount to determine whether an impairment was required to be recognized. For loans, the Company adopted an individual impairment assessment approach for each individual loan. In assessing the recoverability, management exercised judgements to evaluate the collectability considering whether DS Digital and Safari Digital have financial difficulties, in repaying the loans. For investments where impairment indicators exist, management estimated the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. The value in use of the underlying businesses is determined based on the discounted cash flow projections. The recoverable amount was determined in accordance with Ind AS 36 Impairment of Assets to be the higher of the fair value less cost of disposal, and the value in use, determined by discounting future cash flows. The processes and methodologies for assessing and determining the recoverable amount are based on	**Our audit procedures performed included the following:** ❖ Assessment of the report produced by the third-party specialists, as well as the assessment of their competence and objectivity; we also assessed the Company's valuation methodology applied in determining the recoverable amount, the assumptions around the key drivers of the cash flow forecasts (including impact of COVID 19) with reference to expected growth rates. Also, we performed sensitivity of the valuation model to changes in key assumptions ❖ Assessment of the accuracy of actual results against previous forecasts, long-term growth rates and discount rates. ❖ We reviewed the amalgamation scheme filed with SEBI and analyzed, whether accumulated losses pertaining to education business, which is to be merged, are available for utilization by the Company. ❖ We assessed the adequacy of the disclosures made in the financial statements.

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Key audit matters	How our audit addressed the key audit matter
management' judgment, with reference to the identification of impairment indicators, to forecast of future cash flows, the normalized cash flows assumed as a basis for the terminal value, as well as the long-term growth rates and discount rates applied to such cash flows forecasts. Apart from regularly assessing the impairment indicators as mentioned above, during the year ended March'18, the Company had filed a scheme with SEBI, for merger of education business of both Safari Digital and DS Digital. As per management, this merger was initiated in view of better synergy of operations of education business of both subsidiaries. In view of this, the Company has assessed for impairment in these subsidiaries for the remaining business operations (i.e. resultant business). Based on the recoverable value, the Company has already recognized impairment loss of INR 50 million and INR 70 million pertaining to resultant business of DS Digital and Safari Digital in the previous and current financial year, respectively. In consideration of the judgment required and assumptions used in the estimate of the recoverable amount, we have considered that this area represents a key audit matter.	
Provisions for doubtful debts (As described in 2.13 of the financial statements)	
The Company is required to regularly assess the recoverability of its trade receivables. The recoverability of trade receivables was significant to our audit due to the value of amounts aged greater than the credit terms extended to customers. The provisions for doubtful debts are determined through expected credit loss model under Ind AS 109 Financial Instruments. This involves judgement as the expected credit losses must reflect information about past events, current conditions and forecasts of future conditions, as well as the time value of money. Therefore, it is determined to be a key audit matter. The company has further evaluated the historical data used for ECL computation based on their delay loss experience in terms of current observable data to reflect the possible effects from the pandemic related to COVID-19. However, the company has not come across any adjustment in the ECL computation. The Company's disclosures are included in Note 2.13 and Note 5C to the financial statements, which outlines the accounting policy for determining the	**In obtaining sufficient audit evidence over the carrying value of trade receivables, we:** ❖ Tested the ageing and subsequent receipts after year-end of trade receivables on sample basis; ❖ We assessed the Company's provisioning policy, which included assessing the calculation required under Ind AS 109. We assessed whether the time value of money was considered in the expected credit loss impairment model and checked the mathematical accuracy of the calculations. ❖ Considered the customers' historical payment trends and evaluated the credit risk profile of the customers on sample basis using external information available, including COVID 19 impact; ❖ We assessed the Company's disclosures in relation to trade receivables included in the financial statements.

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<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>allowance for doubtful debts and details of the period on period movement in gross and net trade receivables.</td><td></td></tr>
<tr><td colspan="2">Refund liabilities (as described in note 2.5 of the financial statements)</td></tr>
<tr><td>The company is involved in publishing and distribution of educational books. Due to the nature of business, the company offers option to the customers to return unsold inventory. Significant amount of sales returns are received in the year subsequent to the year when books are sold. Discount comprises of Turnover, Cash & additional discount. Turnover discount is offered to the customers in the period subsequent to the reporting date based on parameters for a specified period. Cash Discount is offered based on the cash discount schemes applicable to certain months. Further, at the time of annual settlement, which may not coincide with the financial year, with respective debtors additional discounts are offered based on their negotiations agreed with respective customers. Provision for such sales returns & discounts are estimated, deducted from revenue and accounts receivable and termed as refund liabilities.

Estimates of refund labilities are required to be made at the time of sale. When determining the appropriate allowance, management considers historical trends, present changes in policies for the academic season, as a basis for the estimate as well as all other known factors, which could significantly influence the level of future refund liabilities. Significant judgement is required in assessing the appropriate level of the provision for sales return & discounts.

Measuring refund liabilities is a key audit matter as it requires significant estimates made by Management.

Such judgements include management's expectation of refund liabilities and historical estimates of refund liabilities vis a vis the refund liabilities received during the year.</td><td>Our audit procedures included the following:

❖ We obtained management's calculations for provision for refund liabilities (sales returns & discounts provision), recalculated the amounts for mathematical accuracy and evaluated the assumptions (including impact of COVID 19) used by reference to internal sources (i.e. management budgets and schemes offered to customers).
❖ We considered the accuracy of management's estimates in previous years by comparing historical provisions to the actual amounts to assess the management ability to accurately estimate their refund liabilities.
❖ We verified relevant approvals of actual sales returns & discount passed to customer as per authority matrix. Additionally, we tested discount passed on to customers on sample basis, by performing re-computation based on the terms and conditions executed with the customers.
❖ We tested the actual sales return & discounts passed to customers after the balance sheet date and upto 10 days prior to approval of financials to determine whether the revenue has been recognized in the appropriate period.
❖ We also assessed the disclosures in respect of refund liabilities arising from discounts included in the financial statements.</td></tr>
<tr><td colspan="2">Deferred Tax assets (as described in note 2.6 of the financial statements)</td></tr>
<tr><td>As on 31st March 2020, Deferred tax assets (before offset: INR 308.07 million) and deferred tax liabilities (before offset: INR 11.20 million) are recognized, on the one hand, for temporary differences which could lead to taxable or deductible amounts and, on the other hand, for future tax receivables resulting from</td><td>Our audit procedures included the following:

❖ We analyzed the future projections of the company including impact of COVID 19 and assumption used as to when it would be certain that company would earn future taxable income.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
the utilization of loss carryforwards. The recognition of deferred tax liabilities includes all taxable temporary differences, while deferred tax assets are only recorded to the extent it is probable that sufficient deferred tax liabilities or taxable profit will be available in the future against which the deductible temporary differences can be used. Management has recognized deferred tax asset on the unabsorbed losses basis the reasonable certainty that there would be sufficient taxable profits in the future, however, in view of the COVID 19 impact, the realization of deferred tax may take more time than previously estimated. Since the recognition of deferred tax assets relies on the significant application of judgement by the management in respect of assessing the probability and sufficiency of future taxable profits and future reversals of existing taxable temporary differences, therefore it is considered as key audit matter.	❖ We assessed the sensitivity of the outcomes in the above scenario to reasonably possible changes in assumptions and evaluated the realizability of deferred tax asset as to when the company would earn future taxable profits. ❖ We obtained the management's calculation for the computation of deferred taxes and evaluated the calculation method used to determine the deferred tax assets. ❖ We further recalculated the amounts for mathematical accuracy ❖ We also assessed the disclosures in respect of deferred tax included in the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

a) Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
e) Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March 2020 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

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determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.;

(d) Except for the effects of the matters described in the Basis for Qualified Opinion, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

(h) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(i) According to the information and explanation given by the management, we report that remuneration of the Director for the year ended 31st March 2020 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 5 million. We are informed by the management that it is in the process of seeking approval of the shareholders for Rs 5 million in a general meeting by way of special resolution.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 49 to the standalone Ind AS financial statements;

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

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

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

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 20400419AAAADB6849

S.R. Batliboi & Associates LLP * Gurugram *

Place of Signature: Gurugram
Date: 30th June 2020

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

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

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The Company as part of its policy performs physical verification of inventory bi-annually in September and March every year. In our opinion, the frequency of verification is reasonable. The management had carried out physical verification of inventory as at 30th September, 2019. No material discrepancies were noticed on such physical verification. However as explained in the note 54, the management could not perform physical verification of inventory as at 31st March 2020, therefore, we are unable to comment on discrepancies, if any, between physical and book records as at 31st March 2020

(iii) (a) The Company has granted loans to five companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted loans to a firm covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act 2013, for the product/services of the Company.

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(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delay in few cases in GST & TDS.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Payment of Bonus Act'1965	Bonus	0.2 million	FY 15-16	Within 8 months from the date the close of accounting year	Not yet paid

(c) According to the information and explanation given to us, dues of income tax, sales-tax, service tax/goods and service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of dues	Amount (Rs.)	Amount paid (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	4,163,128	-	A.Y 2008-09	Delhi High Court
		5,338,597	-	AY 2009-10	Delhi High Court
		6,628,820	4,059,842	AY 2010-11	Delhi High Court
		9,997,850	-	AY 2012-13	ITAT
		3,339,530	-	AY 2013-14	ITAT
		4,443,190	-	AY 2015-16	CIT (A)
		4,931,265	-	AY 2017-18	CIT(A)

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

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of initial public offer and term loans for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the

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Gurugram

management, we report that no material fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given by the management, we report that remuneration of the Director for the year ended 31st March 2020 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 5 million. We are informed by the management that it is in the process of seeking approval of the shareholders for Rs 5 million in a general meeting by way of special resolution

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 20400419AAAADB6849

Place: Gurugram
Date: 30th June, 2020

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

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

We have audited the internal financial controls over financial reporting of S Chand and Company Limited ("the Company") as of 31st March 2020, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

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Gurugram

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting with reference to these standalone financial statements as at 31st March 2020:

a) As explained in the note 54, the Company, could not perform physical verification of inventory at the year end, due to which we are unable to comment on operative ineffectiveness of internal controls in relation to physical verification of inventory and reconciliation of physically inventory with the inventory records, which may potentially result in material misstatement of inventory values in the books of account.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these standalone financial statements as of 31st March 2020, 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, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively a s of 31st March 2020.

S.R. Batliboi & Associates LLP
Gurugram

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of S Chand and Company Limited , which comprise the Balance Sheet as at 31st March 2020, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March 2020 standalone financial statements of S Chand and Company Limited and this report affect our report dated 30th June, 2020, which expressed a qualified opinion on those financial statements.

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

per Sanjay Bachchani
Partner
Membership Number: 400419
UDIN: 20400419AAAADB6849

S.R. Batliboi & Associates LLP Gurugram

Place of Signature: Gurugram
Date: 30th June, 2020

S Chand And Company Limited
Balance Sheet as at 31 March 2020
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	134.80	198.39
Intangible assets	4A	166.78	182.21
Right-of-use assets	4B	238.88	-
Capital work-in-progress		0.69	1.51
Intangible assets under development		-	5.63
Financial assets			
- Investments	5A	6,020.84	6,075.30
- Loans	5F	339.69	577.85
- Other financial assets	5E	10.84	4.86
Deferred tax assets (net)	8	296.87	235.85
Other non-current assets	7	124.24	107.15
Total non-current assets		7,333.63	7,388.75
Current assets			
Inventories	6	663.13	798.71
Financial assets			
- Investments	5B	1.57	36.39
- Loans	5F	291.40	94.66
- Trade receivables	5C	1,506.74	1,965.48
- Cash and cash equivalents	5D	10.83	237.99
- Other financial assets	5E	13.26	17.10
Other current assets	7	41.35	56.08
Total current assets		2,528.28	3,206.41
Total assets		9,861.91	10,595.16
Equity and liabilities			
Equity			
Equity share capital	9	174.88	174.88
Other equity			
- Retained earnings	10	1,035.08	1,436.44
- Other reserves	10	6,617.53	6,616.86
Total equity		7,827.49	8,228.18
Non-current liabilities			
Financial liabilities			
- Borrowings	12A	453.48	577.43
-Lease liabilities	14B	85.96	-
Net employee defined benefit liabilities	16	25.16	12.19
Other non-current liabilities	15	-	6.27
Total non-current liabilities		564.60	595.89
Current liabilities			
Financial liabilities			
- Borrowings	12B	593.91	619.80
-Lease liabilities	14B	53.91	-
- Trade payables	13		
Micro enterprises and small enterprises		4.20	3.27
Other than micro enterprises and small enterprises		614.82	802.40
- Other financial liabilities	14A	154.89	255.52
Other current liabilities	15	48.00	90.01
Other provisions	17	0.09	0.09
Total current liabilities		1,469.82	1,771.09
Total equity and liabilities		9,861.91	10,595.16
Summary of significant accounting policies	2.1		

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

S.R. Batliboi & Associates LLP ★ Gurugram ★

Sanjay Bachchani
Partner
Membership No.: 400419

Place : Gurugram
Date : 30 June 2020

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

Himanshu Gupta
Managing Director
DIN: 00054015

Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Saurabh Mittal
Chief Financial Officer

Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 30 June 2020

S Chand And Company Limited
Statement of Profit and Loss for the period ended 31 March 2020
CIN: L22219DL1970PLC005400

(₹ in millions)

		Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
I	Revenue from contract with customers	18	1,510.61	1,944.00
II	Other income	19	156.32	232.60
III	**Total Income**		**1,666.93**	**2,176.60**
IV	**Expenses**			
	Cost of published goods/material consumed	20	534.40	973.72
	Purchase of traded goods	21	26.95	46.18
	Increase/(decrease) in inventories of finished goods and work in progress	22	113.56	(201.66)
	Publication expense	23	191.36	204.38
	Selling and distribution expense	24	186.48	304.96
	Employee benefits expense	25	447.30	572.65
	Finance costs	28	154.42	106.34
	Depreciation and amortization expense	26	90.94	36.64
	Other expenses	27	275.53	409.71
	Total expenses		**2,020.94**	**2,452.92**
V	**Loss before exceptional item and tax (III-IV)**		**(354.01)**	**(276.32)**
	Execeptional items	28A	102.62	225.57
VI	**Loss before tax**		**(456.63)**	**(501.89)**
VII	**Tax expense:**			
	Current tax	29	-	-
	Income tax adjustment related to earlier years		-	(7.19)
	Deferred tax (credit)/ charge		(59.35)	(184.46)
	Total tax expense		**(59.35)**	**(191.65)**
VIII	**Loss for the year (VI-VII)**		**(397.28)**	**(310.24)**
IX	**Other Comprehensive Income**	30		
	- Items that will not be reclassified to profit or loss			
	Re-measurement (gains)/losses on defined benefit plans		5.75	1.06
	Income tax effect		(1.67)	(0.37)
X	**Total Comprehensive Loss for the year (VIII + IX)**		**(401.36)**	**(310.93)**
XI	**Earnings per equity share:**			
	(1) Basic		(11.36)	(8.87)
	(2) Diluted		(11.36)	(8.87)
	Summary of significant accounting policies	2.1		

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

per Sanjay Bachchani
Partner
Membership No.: 400419

S.R. Batliboi & Associates LLP * Gurugram *

Place : Gurugram
Date : 30 June 2020

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

Himanshu Gupta
Managing Director
DIN: 00054015

Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Saurabh Mittal
Chief Financial Officer

Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 30 June 2020

S Chand And Company Limited
Statement of Cash Flow for the year ended 31 March 2020
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 31 March 2020	As at 31 March 2019
A. Cash flow from operating activities			
Loss before tax		**(456.63)**	**(501.89)**
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		90.94	36.64
Unrealised foreign exchange (net) loss		(1.30)	-
Net gain on sale of current investments		(2.49)	(5.39)
Loss/(gain) on sale of assets		(0.84)	(0.31)
Provision for expected credit loss, advances and Bad debt written-off		71.84	89.23
Finance cost		152.66	98.95
Interest income		(68.69)	(131.68)
Fair value gain on financial instruments at fair value through profit or loss		0.76	(15.00)
Interest income on securities mearsured at amortised cost		(1.99)	(1.27)
Provision for diminution in value of investments		70.00	50.00
Unwinding financial guarantee obligation		(2.26)	-
Provision for inventory		32.62	-
Miscellaneous balances written-back		(9.45)	-
Employee stock option expense		0.67	1.64
Operating loss before working capital changes		**(124.17)**	**(379.08)**
Movements in working capital:			
(Decrease)/ Increase in trade payables		(180.95)	(449.99)
Decrease/ (Increase) in other financial assets		(2.38)	(4.59)
(Decrease)/ increase in current liabilities		(55.84)	(17.39)
(Decrease)/ Increase in provisions		12.97	3.34
Decrease/(Increase) in inventories		102.97	(272.71)
Decrease/(Increase) in trade receivables		395.65	972.16
Decrease/(Increase) in loans and advances		35.07	(37.60)
Cash generated/ (used) in operations		**183.32**	**(185.86)**
Direct taxes paid (net of refunds)		(21.92)	(38.75)
Net Cash generated/ (used) in operating activities	**(A)**	**161.40**	**(224.61)**
B. Cash flows from investing activities			
Purchase of fixed assets including capital advances, capital creditors and capital work-in-progress		(89.62)	(167.85)
(Purchase)/Sale of non-current investments		(2.26)	(608.22)
(Purchase)/Sale of current investments		31.57	72.72
Proceeds from sale of current investments		2.49	5.39
Proceeds from sale of fixed assets		12.66	2.37
Interest received		59.63	131.85
Loans to related parties		23.27	32.16
Net cash flow generated / (used) in investing activities	**(B)**	**37.74**	**(531.58)**

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S.R. Batliboi & Associates LLP * Gurugram *

S Chand And Company Limited New Delhi

S Chand And Company Limited
Statement of Cash Flow for the year ended 31 March 2020
CIN: L22219DL1970PLC005400

(₹ in millions)

	Notes	As at 31 March 2020	As at 31 March 2019
C. Cash flows from financing activities			
Dividend paid on equity shares		-	(52.46)
Tax on equity dividend paid		-	(10.78)
Interest paid on borrowings		(146.86)	(99.40)
Proceed (Repayment) of long term borrowings		(208.90)	655.34
Proceed (Repayment) of current borrowings		(25.89)	112.18
Payment of Lease Liabilities		(44.65)	-
Net cash flow from / (used) in financing activities	(C)	**(426.30)**	**604.88**
Net (decrease) in cash and cash equivalents	(A+B+C)	**(227.16)**	**(151.31)**
Cash and cash equivalents at the beginning of the year		237.99	389.30
Cash and cash equivalents at the end of the year		**10.83**	**237.99**
Components of cash and cash equivalents			
Balances with banks:			
- On current accounts		7.62	65.31
- Cheques in hand		2.98	171.35
- Deposits with original maturity of less than three months		-	0.66
Cash on hand		0.23	0.67
Total cash and cash equivalents (note 5D)		**10.83**	**237.99**

Non-Cash Investing and financing transaction

Acquisition of property, plant and equipment by means of a finance lease		-	5.09

Notes:

1. Reconciliation of liabilities arising from financing activities

Particulars	As at 31 March 2019	Cash flows	Non cash changes	As at 31 March 2020
Long term borrowings (including current maturity)	665.24	(208.90)	-	456.34
Short term borrowings	619.80	(25.89)	-	593.91
	1,285.05	**(234.78)**	-	**1,050.25**

Summary of significant accounting policies	2.1	

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

As per our report of even date

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

Sanjay Bachchani
Partner
Membership No.: 400419

Place : Gurugram
Date : 30 June 2020

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

Himanshu Gupta
Managing Director
DIN: 00054015

Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Saurabh Mittal
Cheif Financial Officer

Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 30 June 2020

S Chand And Company Limited
Statement of Changes in Equity for the period ended 31 March 2020
CIN: L22219DL1970PLC005400

A. Equity share capital:

Issued, subscribed and fully paid up	No. of shares	₹ in millions
As at 31 March 2018	3,49,75,287	174.88
Issued during the year	-	-
As at 31 March 2019	3,49,75,287	174.88
Issued during the year	-	-
As at 31 March 2020	3,49,75,287	174.88

B. Other equity

(₹ in millions)

	Reserve & Surplus				Total
	Retained earnings	Capital reserve	Security premium	ESOP outstanding's	
As at 31 March 2018	1,810.60	0.51	6,606.35	7.90	8,425.36
Profit for the year	(310.24)	-	-	-	(310.24)
Other comprehensive income for the year	(0.69)	-	-	-	(0.69)
Total Comprehensive Income for the year	(310.93)	-	-	-	(310.93)
Share based payments	-	-	-	2.10	2.10
Final equity dividend	(52.46)	-	-	-	(52.46)
Dividend distribution tax	(10.78)	-	-	-	(10.78)
As at 31 March 2019	1,436.44	0.51	6,606.35	10.00	8,053.30
Profit for the year	(397.28)	-	-	-	(397.28)
Other comprehensive income for the year	(4.08)	-	-	-	(4.08)
Total Comprehensive Income for the year	(401.36)	-	-	-	(401.36)
Share based payments	-	-	-	0.67	0.67
As at 31 March 2020	1,035.08	0.51	6,606.35	10.67	7,652.61

Summary of significant accounting policies 2.1

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

Sanjay Bachchani
Partner
Membership No.: 400419

S.R. Batliboi & Associates LLP * Gurugram *

Place : New Delhi
Date : 30 June 2020

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

Himanshu Gupta
Managing Director
DIN: 00054015

Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Saurabh Mittal
Cheif Financial Officer

Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 30 June 2020

1. Corporate information

S Chand and Company Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 applicable in India. The Company has become a Public Limited Company w.e.f. 8th September 2016 and consequently the name of the Company has changed from S Chand and Company Private Limited to S Chand and Company Limited. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 7361, Ram Nagar, Qutab Road, New Delhi - 110055. These are standalone financial statements and, accordingly, these Indian Accounting Standard (Ind AS) financial statements incorporate amounts and disclosures related to the Company only.

The Company is principally engaged in publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children Books.

2. Significant accounting policies

2.1 Basis of preparation

The 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) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The standalone financial statements have been prepared on a historical cost convention, except for the following assets and liabilities which have been measured at fair value.

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

ii) Equity settled employee share-based payment plan

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

2.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset as current when it is:

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

All other assets are classified as non-current.
A liability is current when:

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

The Company classifies all other liabilities as non-current.

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S Chand And Company Limited New Delhi *

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

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

2.3 Foreign currencies

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

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

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

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

2.4 Fair value measurement

The Company measures certain financial instruments and equity settled employee share based payment plan at fair value at each reporting date.

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

S.R. Batliboi & Associates LLP Gurugram

S Chand And Company Limited New Delhi

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

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

External valuers are involved for valuation of significant assets, unquoted financial assets, and significant liabilities, such as valuation of unquoted investments and equity settled employee share based payment plan. Involvement of external valuers is decided upon annually by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company's management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company's management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions (Refer 2.20)
ii. Quantitative disclosures of fair value measurement hierarchy (Note 39)
iii. Investment in unquoted equity shares (Note 5A and 5B)
iv. Financial instruments (including those carried at amortised cost) (Note 39)
v. Equity Settled employee share based payment plan (Note 36)

2.5 Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognised..

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

Sale of goods
Revenue from sale of books is recognised at the point in time when control of the asset is transferred to the customer, i.e. at the time of handing over goods to the carrier for transportation.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of books, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

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S Chand And Company Limited New Delhi *

The provision for anticipated returns is made primarily on the basis of historical return rates. The provision for turnover discount, cash discount & additional discount is made on estimated basis based on historical trends.

Job work

Revenue from job work services is recognised at the point in time when control of the asset is transferred to the customer, i.e. at the time of handing over goods to the carrier for transportation or to the customer as per the terms of the contract.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some of the contracts with customer provide a right to customer of cash rebate/discount if payment is cleared within specified due dates.

- **Rights of return**

  Certain contracts provide a customer with a right to return the goods within a specified period. The provision for anticipated returns is made primarily on the basis of historical return rates as this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

- **Volume rebates**

  The Company provides volume rebates to certain customers once the value of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

- **Cash rebates**

The Company provides cash rebates to certain customers if customers make the payment within the stipulated time given in the contract. The provision for cash discount is made on estimated basis based on historical trends. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under

S.R. Batliboi & Associates LLP Gurugram

S Chand And Company Limited New Delhi

the contract.

Interest income
Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable for all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividends
Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Cross Charges for Shared Services
The company provides various administrative and management services through shared resources to its subsidiary companies to facilitate day to day operations. The company recognises revenue over time, because the subsidiaries receive and consume the service provided by the company over that period.

2.6 Taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

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

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

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

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

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

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

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

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

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

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

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

2.7 Property, plant and equipment

Capital work in progress, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Depreciation

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

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

Category of assets	Useful life as adopted by management	Useful life as per Schedule II
Plant and equipment	15 -25 years	15 years
Office Equipment	5 years	5 years
Furniture & fixture	10 years	10 years
Vehicle	10 years	8 years
Others – Computer	6 years	3 years

Leasehold improvements are amortised over economic useful life or unexpired period of lease whichever is less.

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The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and machinery, vehicles and computers over estimated useful lives which are different from useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

2.8 Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of profit or loss when it is incurred.

Amortisation and useful lives

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and development costs

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

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

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- The ability to measure reliably the expenditure attributable to the intangible asset during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is as follows:

Intangible assets	Useful lives	Amortization method used	Internally generated or acquired
Computer software	Finite (5 -10 years)	Amortized on straight line basis over the period of useful lives	Acquired
Goodwill on business combination	Indefinite	No amortization	Acquired
Copyrights	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired
Content development	Finite (10 seasons)	Amortized on straight line basis over the period of content	Internally generated

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.10 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

IND AS 116 adoption:

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method (alternative II). Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate with equal amount of right to use asset at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted

2.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

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

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2.12 Impairment of non–financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

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

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.13 Financial instruments

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

Financial assets

Initial recognition and measurement

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The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset'' 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.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A "financial asset" 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 derecognition 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.

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Equity instruments at FVTOCI

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

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

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

***Financial assets at* fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

De-recognition

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

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

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

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

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI

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- Lease receivables under Ind-AS 116.
- Contract assets and trade receivables under Ind-AS 115.
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 116.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

The balance sheet presentation for various financial instruments is described below:-

a) For financial assets measured as at amortised cost and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
c) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

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

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

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

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

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

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

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

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

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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 standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

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

2.15 Share based payments

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

Equity settled transactions
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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2.16 Provisions

General

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

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

2.17 Cash and cash equivalents

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

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.18 Earnings Per Share (EPS)

Basic Earnings per Share is calculated by dividing the profit or loss for the period attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating Diluted earnings per share amounts are calculated by dividing the profit or loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.19 Cash dividend

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.20 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgement

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

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Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

For the lease contracts that includes extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of books include cash rebates and volume rebates and a right to return the goods that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

B. Estimates and assumptions

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

Taxes

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets

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that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

Provision for expected credit losses of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. For details of allowance for doubtful debts please refer Note 5c.

Impairment of non-financial assets

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

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

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

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Estimating variable consideration for right of return, volume rebates and cash rebates
Certain contracts for the sale of books include a right of return, volume rebates and cash rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company estimates variable considerations to be included in the transaction price for the sale of goods with a right of return, volume rebates and cash rebates.

Exceptional items

Exceptional items refer to items of income or expense within the income statement that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the period. Materiality threshold can be used to select items to be disclosed as exceptional on case to case basis. This threshold would be applied separately for standalone as well as consolidated financial statements. However, in case an item qualifies for disclosure in standalone financial statements but not in consolidated financial statements or vice versa, this would need to be evaluated on case to case basis the above analysis, mainly following items would be evaluated for disclosure as exceptional items:

a) Reassessment / Change in life of asset (in case of re-evaluation of business/product, impact of all assets specific to that business/product to be considered for applying the threshold).
b) Provision for other than temporary diminution in the value of non-current investment.
c) Write-downs of inventories to net realisable value or of property, plant and equipment to recoverable amount, as well as reversals of such write downs.
d) In case of other significant item of income or expense, not covered above, the same would be evaluated on a case to case basis for disclosure under exceptional items

2.21 New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.
Several other amendments apply for the first time for the year ending 31 March 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified

a. Ind AS 116

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company adopted Ind AS 116 using the modified retrospective Alternative 2 method of adoption with the date of initial application of 01 April 2019 and accordingly comparative figures are not restated. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Accordingly, the Company has recognised a lease liability as at 01 April 2019 for leases previously classified as an operating lease applying Ind AS 17. The lessee shall measure that lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate. Further, an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as Right to Use ("ROU").

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b. Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments.

The Appendix did not have an impact on the financial statements of the Company.

c. Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

There were no such transactions in the company accordingly, these amendments had no impact on the financial statements of the Company.

d. Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments had no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period

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3. Property, plant and equipment

(₹ in millions)

	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles**	Leasehold improvement	Computers	Land	Building	Total
As at 31 March 2018	**13.41**	**15.48**	**19.28**	**59.86**	**11.23**	**14.12**	**-**	**-**	**133.38**
Additions	2.13	1.16	0.10	6.33	-	2.17	98.72	13.99	124.60
Disposals	(0.10)	(0.01)	(0.02)	(3.55)	-	(0.21)	-	-	(3.89)
As at 31 March 2019	**15.44**	**16.63**	**19.36**	**62.64**	**11.23**	**16.08**	**98.72**	**13.99**	**254.09**
Additions	12.36	5.41	0.21	-	1.20	0.32	-	42.55	62.05
Disposals / adjustments	(2.52)	(3.73)	(3.47)	(12.36)	(3.61)	(2.23)	(98.72)	-	(126.65)
As at 31 March 2020	**25.28**	**18.31**	**16.10**	**50.28**	**8.82**	**14.17**	**-**	**56.54**	**189.50**
Accumulated depreciation									
As at 31 March 2018	**3.00**	**7.34**	**6.94**	**15.70**	**3.48**	**5.65**	**-**	**-**	**42.11**
Charge for the year	0.87	2.29	1.84	5.65	2.30	2.16	-	-	15.11
Disposals	(0.05)	-	(0.01)	(1.36)	-	(0.10)	-	-	(1.52)
As at 31 March 2019	**3.82**	**9.63**	**8.77**	**19.99**	**5.78**	**7.71**	**-**	**-**	**55.70**
Charge for the year	1.15	2.65	1.56	4.84	2.01	1.96	-	0.93	15.10
Disposals	(0.95)	(2.66)	(2.14)	(5.40)	(3.20)	(1.75)	-	-	(16.10)
As at 31 March 2020	**4.02**	**9.62**	**8.19**	**19.43**	**4.59**	**7.92**	**-**	**0.93**	**54.70**
Net block									
As at 31 March 2019	**11.62**	**7.00**	**10.59**	**42.65**	**5.45**	**8.37**	**98.72**	**13.99**	**198.39**
As at 31 March 2020	**21.26**	**8.69**	**7.91**	**30.85**	**4.23**	**6.25**	**-**	**55.61**	**134.80**

**Vehicles under loan contracts as at 31 March 2019 was ₹ 15.42 millions (31 March 2019: ₹ 24.20 millions). Additions during the year is ₹ Nil (31 March 2019: ₹5.09 million). Loans assets are pledged as security for the related loan.

4A. Intangible assets

(₹ in millions)

	Trade mark	Goodwill	Computer software	Copy-right	Content development	Total
As at 31 March 2018	**-**	**23.83**	**52.87**	**24.90**	**106.90**	**208.50**
Purchase	0.12	-	1.39	-	34.61	36.11
Disposals	-	-	-	-	-	-
As at 31 March 2019	**0.12**	**23.83**	**54.26**	**24.90**	**141.51**	**244.61**
Purchase	-	-	0.03	-	20.95	20.98
Disposals	-	-	-	-	-	-
As at 31 March 2020	**0.12**	**23.83**	**54.29**	**24.90**	**162.46**	**265.59**
Accumulated depreciation						
As at 31 March 2018	**-**	**-**	**22.95**	**7.43**	**10.51**	**40.87**
Amortization for the year	0.01	-	6.46	4.22	10.84	21.53
Disposals	-	-	-	-	-	-
As at 31 March 2019	**0.01**	**-**	**29.41**	**11.65**	**21.35**	**62.40**
Amortization for the year	0.01	-	5.97	4.22	26.21	36.41
Disposals	-	-	-	-	-	-
As at 31 March 2020	**0.02**	**-**	**35.38**	**15.87**	**47.56**	**98.81**
Net block						
As at 31 March 2019	**0.11**	**23.83**	**24.85**	**13.25**	**120.16**	**182.21**
As at 31 March 2020	**0.10**	**23.83**	**18.91**	**9.03**	**114.90**	**166.78**

Impairment testing of goodwill

The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

Impairment of content development

During the year ended 31st March 2020, the impairment loss of ₹ 8.58 million (included in ₹ 26.21 million) represented the write-down value of certain content development as a result of title obsolescence. This was recognised in the statement of profit and loss.

4B. Right-of-use assets

(₹ in millions)

	Leasehold Land (RoU)	Plant, property & equipment (RoU)	Total
As at 31 March 2019	-	-	-
Purchase/Adjustments (Ind AS 116)	111.73	171.11	282.84
Disposals	-	(7.77)	(7.77)
As at 31 March 2020	111.73	163.34	275.07
As at 31 March 2019	-	-	-
Amortization for the year	1.80	37.63	39.43
Disposals	-	(3.24)	(3.24)
As at 31 March 2020	1.80	34.39	36.19
As at 31 March 2019	-	-	-
As at 31 March 2020	109.93	128.95	238.88

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5. Financial assets

5A. Non-current investments

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Investment in unquoted equity shares, valued at cost		
Investment in subsidiaries		
149 (31 March 2019: 149) shares of ₹ 1,000 each fully paid up in M/s Blackie & Son (Calcutta) Private Limited	62.79	62.79
12,000 (31 March 2019: 12,000) shares of ₹ 10 each fully paid up in M/s Nirja Publishers & Printers Private Limited	17.04	17.04
26,584,168 (31 March 2019: 26,584,168) shares of ₹ 10 each fully paid up in M/s Safari Digital Education Initiatives Private Limited	268.19	268.19
106 (31 March 2019: 106) shares of ₹ 1,000 each fully paid up in M/s Eurasia Publishing House Private Limited	116.05	116.05
39,339 (31 March 2019: 39,339) shares of ₹ 100 each fully paid up in M/s Vikas Publishing House Private Limited	1,518.85	1,512.23
22,336 (31 March 2019: 22,336) shares of ₹ 10 each fully paid up in M/s New Saraswati House (India) Private Limited	1,426.84	1,426.84
17,686,750 (31 March 2019: 17,686,750) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	142.78	142.69
103,102 (31 March 2019: 103,102) shares of ₹ 100 each fully paid up in M/s Chhaya Prakashani Private Limited	1,657.04	1,657.04
3,995,250 (31 March 2019: 3,995,250) shares of ₹ 10 each fully paid up in M/s S Chand Edutech Private Limited	39.95	39.95
Less : Impairment of investment in DS Digital Private Limited (Refer Note 51)	(50.00)	(50.00)
Less : Impairment of investment in Safari Digital Education Initiatives Private Limited (Refer Note 51)	(70.00)	-
	5,129.53	**5,192.82**
Investment in associate		
50 (31 March 2019: 50) shares of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	0.52	0.52
	0.52	**0.52**
Investment in unquoted preference shares		
Investment in subsidiaries		
16,000,000 (31 March 2019: 16,000,000) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	160.00	160.00
	160.00	**160.00**
Investment in unquoted equity shares		
Investment in others		
1,600 (31 March 2019: 1,600) shares of ₹ 37.14 each fully paid up in M/s Essar Gujrat Limited	-	-
4,200 (31 March 2019: 4,200) 6% shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	-	-
	-	**-**
Investment in associate		
5,414 (31 March 2019: 5,414) 0.001% compulsorily convertible cumulative shares of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	21.10	21.10
	21.10	**21.10**
Investment in debentures		
Investment in subsidiaries		
6,916 (31 March 2019: 6916) 2% optionally convertible redeemable of ₹ 100,000 each fully paid up in Eurasia Publishing House Private Limited	709.69	700.86
	709.69	**700.86**
Investments at fair value through profit and loss		
Investment in debentures		
Investment in others		
100 (31 March 2019: 100) redeemable non-convertible of ₹ 60 each fully paid up in Motor and General Finance Limited	-	-
	-	-
Total	**6,020.84**	**6,075.30**
Aggregate value of unquoted investments	**6,020.84**	**6,075.30**
Aggregate value of impairment in value of investments	**120.07**	**50.07**

Note: Investment in subsidiaries include deemed investments of ₹ 28.27 millions (31 March 2019: ₹ 21.56 millions) due to ESOP granted to employees of subsidiary companies and corporate guarantee given by Holding Company on behalf of subsidiary companies. Investment of Eurasia Publishing House Private Limited includes total deemed investment of ₹ 18.10 millions (31 March 2019: ₹ 9.27 millions).

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5B. Current investments

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Investment at fair value through profit and loss		
Investment in equity shares (unquoted)		
15,880 (31 March 2019: 15,880) shares of ₹ 10 each fully paid up in M/s Sistema Shyam Teleservices Limited	-	-
1,000 (31 March 2019: 1,000) shares of ₹ 10 each fully paid up in M/s Bharat Glass Tubes Limited	-	-
	-	-
Investment valued at fair value through profit and loss		
Investment in equity instruments (quoted)		
1,000 (31 March 2019: 1,000) shares of ₹ 10 each fully paid up in M/s Freshtop Fruits Limited	0.04	0.15
42,564 (31 March 2019: 42,564) shares of ₹ 10 each fully paid up in M/s Mahaan Foods Limited	0.49	0.73
10,457 (31 March 2019: 10,457) shares of ₹ 1 each fully paid up in M/s Pentamedia Graphics Limited	0.00	0.01
2,000 (31 March 2019: 2,000) shares of ₹ 10 each fully paid up in M/s Vardhman Concrete Limited	-	-
100 (31 March 2019: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited	0.01	0.04
100 (31 March 2019: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	0.01	0.04
	0.55	0.97
Investment valued at amortised cost model		
Investment in preference shares (unquoted)		
Nil (31 March 2019: 512,500) redeemable shares of ₹ 10 each fully paid up in M/s Walldorf Integration Solutions Limited (refer note no 47)	-	14.06
	-	14.06
Investment valued at fair value through profit and loss		
Investment in mutual funds (quoted)		
94,511 (31 March 2019: 89,039) units in Principal Monthly Income Plan - Dividend Reinvestment	1.02	1.10
Nil (31 March 2019: 32,387) units in HDFC Liquid Fund - Regular Plan Growth option	-	20.26
	1.02	21.36
Total	1.57	36.39
Aggregate book value of quoted investments	1.57	22.33
Aggregate market value of quoted investments	1.57	22.33
Aggregate value of unquoted investments	-	14.06
Aggregate value of impairment in value of investments	-	-

5C. Trade receivables

	As at 31 March 2020	As at 31 March 2019
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	1,506.74	1,965.48
Receivable which have significant increase in credit risk	230.06	184.14
Receivable credit impaired	-	-
	1,736.80	2,149.62
Less; Allowance for expected credit loss		
Secured, considered good	-	-
Unsecured, considered good	-	-
Receivable which have significant increase in credit risk	(230.06)	(184.14)
Receivable credit impaired	-	-
	(230.06)	(184.14)
Secured, considered good	-	-
Unsecured, considered good	1,506.74	1,965.48
Receivable which have significant increase in credit risk	-	-
Receivable credit impaired	-	-
	1,506.74	1,965.48
Trade receivables from related parties (Refer note 35)	92.67	49.03
Current	1,506.74	1,965.48
Non-current	-	-

The movement in impairment of trade receivables as follow:

	As at 31 March 2020	As at 31 March 2019
Opening balance	184.14	155.65
Additions	68.13	89.23
Write off (net of recovery)	(22.21)	(60.74)
Closing balance	230.06	184.14

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

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5D. Cash and cash equivalents

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Balances with banks:		
-On current accounts	7.62	65.31
-Cheques in hand	2.98	171.35
-Deposits with original maturity of less than three months	-	0.66
Cash on hand	0.23	0.67
Total	**10.83**	**237.99**

5E. Other financial assets

	As at 31 March 2020	As at 31 March 2019
Deposits with original maturity for more than 3 months but less than 12 months	2.91	8.86
Deposits with original maturity for more than 12 months	8.80	2.58
Interest accrued but not due on fixed deposits (on short term deposits)	0.56	0.56
Interest accrued but not due on fixed deposits (on long term deposits)	1.93	2.17
Interest accrued (refer note no 47)	-	7.59
Restricted cash*	0.09	0.09
Margin money**	0.11	0.11
Other receivables	9.70	-
Total	**24.10**	**21.96**
Current	**13.26**	**17.10**
Non current	**10.84**	**4.86**

*Restricted cash represent earmarked balance for unclaimed dividend payout.
**Margin money deposit with a carrying amount of ₹0.11 million (31 March 2019: ₹ 0.11) has been deposited with sales tax department.

5F. Loans

	As at 31 March 2020	As at 31 March 2019
Security deposits - non current	10.34	29.44
Security deposits - current	1.86	0.91
Loans related parties - non current (refer note 35)	329.35	548.42
Loans related parties - current (refer note 35)	289.54	93.74
Total loans	**631.09**	**672.51**
Break-up		
Considered good - Secured	-	-
Considered good - Unsecured	618.89	642.16
Recoverable which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	618.89	**642.16**
Current	**291.40**	**94.66**
Non current	**339.69**	**577.85**

6. Inventories

	As at 31 March 2020	As at 31 March 2019
Raw materials (at cost)	103.55	92.95
Finished goods (at lower of cost and net realisable value)	556.40	703.01
Finished goods-traded goods (at lower of cost and net realisable value)	3.18	2.75
Total	**663.13**	**798.71**

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7. Other assets

7A. Other advances

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Advances to vendors	3.87	8.00
Advances to employee	14.09	24.14
Others	6.86	7.14
Total	**24.82**	**39.28**

7B. Prepaid expenses

	As at 31 March 2020	As at 31 March 2019
Prepaid expenses - current	16.54	15.94
Prepaid expenses - non-current	5.45	4.16
Total	**21.99**	**20.10**

7C. Balance with statutory authorities

	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good	3.48	2.93
Total	**3.48**	**2.93**

7D. Other assets

	As at 31 March 2020	As at 31 March 2019
Tax recoverable	115.30	95.02
Ancillary cost of arranging the borrowings -unamortised cost - current	-	0.86
Ancillary cost of arranging the borrowings -unamortised cost - non current	-	5.04
Total	**115.30**	**100.92**
Current	**41.35**	**56.08**
Non current	**124.24**	**107.15**

8 Deferred taxes

	As at 31 March 2020	As at 31 March 2019
Items leading to creation of deferred tax assets		
Impact of non deductable expenses	11.11	7.84
Provision for expected credit loss	66.99	65.59
Provision for diminution in value of investments	-	17.47
Impact of fair value gain on current Investment	0.21	-
Impact of Lease Liabilities (IND AS 116)	3.19	-
Impact of Business Loss to carry forward in next years	226.57	158.60
Total deferred tax assets	**308.07**	**249.50**
Items leading to creation of deferred tax liabilities		
Fixed assets: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	11.20	13.51
	-	0.14
Total deferred tax liabilities	**11.20**	**13.65**
Net deferred tax assets	**296.87**	**235.85**

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9. Share capital

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Authorised		
40,000,000 (31 March 2019: 40,000,000) equity shares of ₹ 5/- each (31 March 2019: equity shares of ₹ 5 each)	200.00	200.00
Issued, subscribed and fully paid equity capital		
34,975,287 (31 March 2019: 34,975,287) equity shares of ₹ 5/- each (31 March 2019: equity shares of ₹ 5 each)	174.88	174.88
	174.88	174.88

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

Authorised share capital	No. of shares	₹ in millions
As at 31 March 2019	4,00,00,000	200.00
Increase/(decrease) during the year	-	-
As at 31 March 2020	4,00,00,000	200.00

Issued equity capital	No. of shares	₹ in millions
Equity share of ₹ 5/- each issued, subscribed and fully paid (31 March 2019: Equity share of ₹ 5 each)		
As at 31 March 2019	3,49,75,287	174.88
Issued during the year	-	-
As at 31 March 2020	3,49,75,287	174.88

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share (31 March 2019: ₹ 5 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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

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

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
Mr. Himanshu Gupta	59,61,238	17.04%	58,01,454	16.59%
Mr. Dinesh Kumar Jhunjhnuwala	38,46,854	10.99%	37,95,229	10.85%
Mrs. Neerja Jhunjhnuwala	40,08,345	11.46%	40,08,345	11.46%
Everstone Capital Partners II LLC	33,23,229	9.50%	33,23,229	9.50%
International Finance Corporation	28,05,784	8.02%	28,05,784	8.02%
HDFC Trustee Company Limited - HDFC Balanced Advantage Fund	9,00,000	2.57%	25,43,978	7.27%

d. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock options (ESOPs) plan of the company, please refer note 36

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10. Other equity

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Capital reserve*		
Balance as the beginning of reporting year	0.51	0.51
Add: Increase during the year		
Balance as the end of reporting year	**0.51**	**0.51**
Securities premium**		
Balance as the beginning of reporting year	6,606.35	6,606.35
Add: increase because of issue of equity share capital	-	-
Less: decrease due to transaction cost for issued share capital	-	-
Balance as the end of reporting year	**6,606.35**	**6,606.35**
Employee stock options outstanding		
Balance as the beginning of reporting year	10.00	7.90
Add: compensation option granted during the year- charge for the year	0.67	2.10
Less: transferred to securities premium on exercise of stock options	-	-
Balance as the end of reporting year	**10.67**	**10.00**
Retained earning		
Balance as the beginning of reporting year	1,436.44	1,810.60
Less: Loss for the year	(397.28)	(310.24)
Less: Other comprehensive loss for the year	(4.08)	(0.69)
Amount available for appropriation	**1,035.08**	**1,499.67**
Less: Appropriations		
Dividend on equity shares	-	(52.46)
Tax on equity dividend	-	(10.78)
Balance as the end of reporting year	**1,035.08**	**1,436.44**

Nature and Purpose of reserve

Capital reserve*
During the financial year 2015-16, the Company cancelled its 149,900 forfeited equity shares pursuant to resolution passed at Board Meeting dated September 22, 2015 and the amount was transferred to Capital Reserve.

Securities premium**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

11. Distribution made and proposed

	As at 31 March 2020	As at 31 March 2019
Cash dividends on equity shares declared and paid:		
Final dividend on equity shares for the year ended 31 March 2018 : ₹ 1.50 per share	-	52.46
DDT on final dividend	-	10.78
	-	**63.24**

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12A. Non-current borrowings

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Term Loans		
Indian rupee loan from financial institutions (secured) (refer note 'a)	445.58	566.67
Vehicle loans		
Indian rupee loan from bank (secured) (refer note b and c)	3.67	5.48
Indian rupee loan from financial institutions (secured) (refer note d)	4.23	5.28
Total	453.48	577.43
Secured	453.48	577.43
Unsecured	-	-

Note:-

a. Term loan from Axis Finance Limited has been taken during the year ended 31st March 2019 and initially carried interest @ 11.50% p.a. linked to the Axis Bank Base Rate . The facility has been taken for a period of 7 years and is repayable in 78 equal monthly instalments of ₹ 8.33 millions beginning from August 2019. The facility has been secured against: (i) Pledge of 64% of unlisted shares of Chhaya Prakashani Private Limited. (ii) 2nd charge on both present and future current and fixed moveable assets of SCCL; (iii) PDCs for the interest and principal amount. Pursuant to breach of loan covenants after the year ended 31st March 2019, the terms of loan agreement were modified, which resulted into increase of rate of interest to 13% effective 6th June 2019, The Company had prepaid ₹ 200 millions during the year ended 31st March 2020 and the next instalment is due on 31 August, 2021

b. Vehicle loans have been taken from HDFC Bank, ICICI Bank, and Yes Bank and carry interest @ 8.84% to 12.00%. The loan is repayable in 36 to 60 equal monthly instalments ranging from ₹ 0.004 millions to ₹ 0.099 millions. The loan is secured by hypothecation of respective vehicles.

c. Vehicle loans taken during the year from Yes Bank Ltd, carry interest @ 9.38% p.a to 9.80%. The loans are repayable in 60 equal monthly instalments of ₹ 0.008 millions to ₹ 0.04 millions). The loan is secured by hypothecation of respective vehicle.

d. Vehicle loans have been taken from Daimler Financial Services India Private Limited and carry interest @ 9.81% to 11% p.a. The loan is repayable in 48 equal monthly instalments of ₹ 0.13 millions to ₹ 0.13 millions. The loan is secured by hypothecation of respective vehicle.

Loan covenants

e. The Company is required to comply with certain debt covenants as mentioned in the loan agreement, failure of which makes the loan to be repaid on demand at the discretion of the bank. During year ended March 31, 2020 and March 31,2019 , there is an instance of breach of financial covenant in case of term loan facility availed from Axis Finance Limited. As per the terms of the sanction letter, the management has intimated to the bank as per agreement terms.

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12B. Current borrowings

(₹ in millions)

		As at 31 March 2020	As at 31 March 2019
a.	**Current maturity of loan**		
	Term loans		
	Indian rupee loan from financial institutions (secured) (Refer Note 12A (e)	-	83.33
	Vehicle loans		
	Indian rupee loan from bank (secured) (refer Note 12A (f) and (h))	1.81	3.41
	Indian rupee loan from financial institutions (secured) (refer Note 12A (g))	1.05	1.07
	Total current maturity of Indian currency loan	**2.86**	**87.81**
b.	**Cash credit from banks (secured) (refer note f, g, h, I, j and k)**	323.91	305.60
c.	**Indian rupee working capital demand loan from banks (secured) (refer note a, b, c, d and e)**	220.00	215.00
d.	**Indian rupee working capital demand loan from banks/financial institutions (un secured) (refer e)**	50.00	99.20
	Total current borrowings	**596.77**	**707.61**
	Less: Amount presented under "other financial liabilities"	(2.86)	(87.81)
	Total current borrowings	**593.91**	**619.80**
	Secured	**543.91**	**520.60**
	Unsecured	**50.00**	**99.20**

Note :-

a. Working capital demand loan from HDFC Bank Limited (under Multiple Banking Arrangement with DBS Bank , IndusInd Bank, Kotak Mahindra Bank, and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwla , Directors of the Company from 21 January 2020 and Corporate Guarantee of Nirja Publishers & Printers Private Limited. This loan carries interest rate ranging from 9.55 % to 10.10 % p.a. (31 March 2019: 8.50 % to 8.70 % p.a.).

b. Working capital demand loan from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company. This loan carries interest rate ranging from 11.20 % to 13.13 % p.a. (31 March 2019: 8.65 % to 8.75% p.a.).

c. Working capital demand loan from Standard Chartered Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, and Kotak Mahindra Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company . This loan carries interest rate ranging from 9.30 % to 10.00 % p.a. (31 March 2019: 8.60% to 9.30% p.a.).

d. Working capital demand loan from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company. This loan carries interest rate ranging from 8.95% to 9.85 % p.a (31 March 2019: 8.65% to 9.35 %).

e. Working capital demand loan from Tata Capital Financial Services Limited was taken during the year 2018-19. This loan carries interest rate of 10.50% p.a (31 March 2019: 10.50% p.a). This loan is unsecured.

f. Cash credit from IndusInd Bank Limited (under Multiple Banking Arrangement with DBS Bank, Standard Chartered Bank , HDFC Bank, and Kotak Mahindra Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company. It carries interest rate ranging from 10.80% to 15% p.a. (31 March 2019: 10.15 % p.a.).

g. Cash credit from Kotak Mahindra Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company. This carries interest rate ranging from 11.05% to 13.13% p.a. (31 March 2019: 11.00 % to 11.40% p.a.).

h. Cash credit from Standard Chartered Bank (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, HDFC Bank, and Kotak Mahindra Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company. This loan carries interest rate of 10.31% p.a. (31 March 2019: 10.45% to 11.05% p.a.).

i. This facility of working capital demand loan from from Citi Bank was sanctioned for 120 days as a clean facility and was to be convertated to a secured facility after this period under multiple banking, however, the facility was paid before the expiry of the period and no further documents executed. This carries interest rate ranging from 9.75% to 9.00% p.a. (31 March 2019: 9.00 % p.a). The loan has been repaid during the financial year 2019-20.

j. Cash Credit from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company. This loan carries interest rate ranging from 9.00% to 9.75 % p.a (31 March 2019: 9.40% to 11.10 %).

k. Cash Credit from HDFC Bank Limited (under Multiple Banking Arrangement with DBS Bank, IndusInd Bank, Kotak Mahindra Bank, and Standard Chartered Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanhu Gupta and Mr. Dinesh Kumar JhunJhnuwala, Directors of the company from 21 January 2020 and Corporate Guarantee of Nirja Publishers & Printers Private Limited. This carries interest rate ranging from 9.55 % to 10.10% p.a. (31 March 2019: 9.50 % to 10.10% p.a..).

Loan covenants

I. The Company is required to comply with certain debt covenants as mentioned in the loan agreement, failure of which makes the loan to be repaid on demand at the discretion of the bank. During year ended March 31, 2020, there is an instance of breach of financial covenant in case of Cash Credit and Working capital demand loan facility availed from DBS Bank Limited and HDFC Bank Limited. As per the terms of the sanction letter, the management has intimated to the bank as per agreement terms.

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13. Trade payables

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Trade payables of micro enterprises and small enterprises (refer note 43)	4.20	3.27
Trade payables of related entities (refer note 35)	100.34	167.45
Trade payables other than micro enterprises and small enterprises	514.48	634.95
	619.02	805.67

14A. Other financial liabilities

	As at 31 March 2020	As at 31 March 2019
Other financial liabilities at amortised cost		
Current maturity of long term loans (refer note 12B)	2.86	87.81
Employee related liabilities	31.70	44.79
Security deposits received	2.87	4.12
Interest accrued but not due	0.70	0.80
Interest accrued and due on security deposits	-	0.09
Interest accrued but not due on bill discounted	-	5.56
	-	0.04
Total (A)	38.13	143.21
Other financial liabilities at fair value through profit and loss		
Financial liability*	100.00	100.00
Total (B)	100.00	100.00
Financial guarantee obligation	16.76	12.31
Total (C)	16.76	12.31
Total (A+B+C)	154.89	255.52
Current	154.89	255.52
Non current	-	-

*In current year financial liability represents an amount of ₹ 100 million (31 March 2019, ₹ 100 million) for BG invoked due to brech of conditions by selling share holders of New Saraswati House (India) Pvt. Ltd. relating to non compete clause.

14B. Other financial liabilities

	As at 31 March 2020	As at 31 March 2019
Lease liability - current	53.91	-
Lease liability - non current	85.96	-
Total	139.87	-

15. Other liabilities

	As at 31 March 2020	As at 31 March 2019
Statutory dues payable	34.33	68.09
Rent equalization reserve - current**	-	0.49
Rent equalization reserve - non current**	-	6.27
Advance from customers	13.67	21.43
Total	48.00	96.28
Current	48.00	90.01
Non current	-	6.27

** The Rent equalization reserve has been adjusted with Right-to-use assets as on 1st April 2019 as per IND AS 116.

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16. Net employee defined benefit liabilities

(₹ in millions)

	As at 31 March 2020	As at 31 March 2019
Provision for gratuity (refer note 33)	25.16	12.19
Total	**25.16**	**12.19**
Current	-	-
Non current	**25.16**	**12.19**

17. Other provisions

	As at 31 March 2020	As at 31 March 2019
Unclaimed dividend	0.09	0.09
Total other provisions	**0.09**	**0.09**
Current	**0.09**	**0.09**
Non-current	-	-

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18. Revenue from contract with customers

(₹ in millions)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products		
Finished goods	1,886.13	2,283.50
Traded goods	46.78	64.93
Less: Discount	(451.27)	(415.95)
Sale of services		
Job work	23.16	-
Other operating revenue		
Scrap sale	5.81	6.64
Sale of paper	-	4.88
Total	**1,510.61**	**1,944.00**
India	1,494.24	1,918.43
Outside India	16.37	25.57
Total	**1,510.61**	**1,944.00**
Timing of revenue recognition		
Goods transferred at a point in time	1,510.61	1,944.00
Services transferred over time	-	-
Total	**1,510.61**	**1,944.00**

The Company collects Goods and Service Tax (GST) on behalf of the Government and hence, GST is not included in Revenue from operations.

Contract balances

	31 March 2020	31 March 2019
Trade receivables	1,506.74	1,965.48
Contract assets	-	-
Contract liabilities	13.67	21.43

Trade receivables are non-interest bearing and are generally on terms of 150 days. In 31 March 2020, INR 68.13 million (31 March 2019: INR 89.23 million) was recognised as provision for expected credit losses on trade receivables.

Right to return asset and refund liability

	31 March 2020	31 March 2019
Refund liabilities		
Arising from discounts	139.38	101.40
Arising from rights of return	268.90	311.10
	408.28	**412.50**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	31 March 2020	31 March 2019
Revenue as per contracted price	2,463.32	3,248.93
Adjustments		
Sales return	(501.44)	(888.98)
Discount	(451.27)	(415.95)
	1,510.61	**1,944.00**

Performance obligation
Information about the Company's performance obligations are summarised below:

Manufactured goods
The performance obligation is satisfied upon delivery of the goods to the transporter designated by the customer or to the customer whichever is earlier.

The customer has a right to return material to an extent as may be agreed upon with each customer or within the limits as may be determined by the company. The customer is also eligible for discounts based on achievement of revenue targets as may be agreed.

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19. Other incomes

	For the year ended 31 March 2020	For the year ended 31 March 2019
19.1 Finance income		
Interest income on:		
- Bank deposits	0.78	4.64
- Unwinding of discount on security deposits paid	0.80	1.27
- Premature of discount on security deposits	1.19	-
- Income tax refund	1.31	-
-Interest income from related parties	67.91	127.04
Total finance income (A)	**71.99**	**132.95**
19.2 Other income		
Net gain on sale of current investments (net)	2.49	5.39
Profit on sale of fixed assets (net)	0.84	-
Foreign exchange fluctuation gain (net)	1.30	1.45
Fair value gain on financial instruments at fair value through profit or loss	-	15.00
Unwinding financial guarantee obligation	2.26	2.44
Management cross charge (refer note 32)	68.32	68.91
Others	9.12	6.46
Total other income (B)	**84.33**	**99.65**
Grand Total (A+B)	**156.32**	**232.60**

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20. Cost of published goods/material consumed

(₹ in millions)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Inventory at the beginning of the year	92.95	21.90
Add: Purchases of published goods	12.31	258.47
Add: Printing charges	191.98	277.19
Add: Purchases of paper	317.50	493.20
Add: Purchases of consumables	22.31	-
Add: Purchases of VRX Sets , CDs and other items	0.90	15.91
	637.95	**1,066.67**
Less: Inventory at the end of the year	103.55	92.95
Cost of published goods/material consumed	**534.40**	**973.72**
Details of raw material purchased		
Paper	317.50	493.20
Total	**317.50**	**493.20**

21. Purchase of traded goods

	For the year ended 31 March 2020	For the year ended 31 March 2019
Purchase of traded goods	26.95	46.18
Total	**26.95**	**46.18**

22. (Increase)/ decrease in inventories of finished goods, work-in-progress

	For the year ended 31 March 2020	For the year ended 31 March 2019
Finished goods		
Inventory at the end of the year	559.58	705.76
Finished goods		
Inventory at the beginning of the year	(705.76)	(504.10)
Less: Provision for inventory	32.62	-
(Increase)/decrease in inventories	**(113.56)**	**201.66**
Details of inventory at the end of the year		
Finished goods		
Manufactured goods		
Books	556.40	703.01
Traded goods		
Books	3.18	2.75
	559.58	**705.76**

23. Publication expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Royalty	163.48	170.88
Other publication expenses	23.28	33.50
Factory manpower expenses	2.87	-
Factory electricity expenses	1.73	-
Total	**191.36**	**204.38**

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24. Selling and distribution expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Advertisement, publicity and exhibition	70.08	131.50
Freight & cartage outward	59.92	79.33
Travelling & conveyance	38.72	67.95
Vehicle running & maintenance	8.21	16.87
Packing & dispatch expenses	9.55	9.31
Total	**186.48**	**304.96**

25. Employee benefits expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, bonus and allowances	396.47	499.65
Contribution to provident and other funds	26.82	31.86
Gratuity expense (refer note 33)	8.21	7.44
Employee stock option expenses	0.67	1.64
Staff welfare expenses	15.13	32.06
Total	**447.30**	**572.65**

26. Depreciation and amortization expense

	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment (refer note 3)	15.10	15.11
Amortisation on intangible assets (refer note 4A)	36.41	21.53
Amortisation on right-of-use assets (refer note 4B)	39.43	-
Total	**90.94**	**36.64**

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27. Other expenses

(₹ in millions)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	50.60	125.07
Repairs and maintenance		
- Plant and machinery	1.35	-
-Building	0.06	0.02
-Others	14.85	22.04
Insurance	3.92	3.55
Rates and taxes	6.51	0.30
Communication cost	7.95	16.80
Printing and stationery	1.14	2.64
Legal and professional fee	28.74	42.15
Donations	2.60	1.43
Payment to auditor (refer details below)	6.93	6.87
Water and electricity charges	8.92	10.52
Bad debt written off	22.21	60.74
Provision for expected credit loss	45.92	28.49
Provision for advances	2.07	3.56
Recruitment expenses	0.87	1.34
Outsourced employee cost	40.81	58.71
Office expenses	3.78	1.94
Security charges	8.98	14.68
Corporate social responsibility expenses (refer note 41)	8.31	1.45
Director sitting fees	1.83	1.65
Fair value loss on financial instruments at fair value through profit or loss	0.76	-
Miscellaneous expenses	6.42	5.76
Total other expenses	**275.53**	**409.71**

Payment to auditors:

	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:		
- Audit fee	3.80	3.80
- Limited review	2.70	2.70
In other capacity		-
- Others	0.43	0.37
	6.93	**6.87**

28. Finance cost

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense		
- On term loan	69.22	11.11
- On others	80.18	87.84
Bank charges	1.76	2.26
Loan processing fee	3.26	5.13
	154.42	**106.34**

28A Exceptional Items

	For the year ended 31 March 2020	For the year ended 31 March 2019
Exceptional items		
Sales return (refer note 50)	-	175.57
Provision for impairment on investment (refer note 51)	70.00	50.00
Provision for inventory (refer note 55)	32.62	-
Total	**102.62**	**225.57**

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29. Income tax

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:
Profit or loss section

(₹ in millions)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	(7.19)
Deferred tax:		
Relating to origination and reversal of temporary differences	(59.35)	(184.46)
Income tax expense reported in the statement of profit or loss	(59.35)	(191.65)

OCI section
Deferred tax related to items recognised in OCI during in the year:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net loss/(gain) on remeasurements of defined benefit plans	5.75	1.06
Income tax charged to OCI	(1.67)	(0.37)
	4.08	0.69

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before tax	(456.63)	(501.89)
At India's statutory income tax rate of 29.12% (31 March 2019: 34.944%)	(132.97)	(175.38)
Adjustments in respect of current income tax of previous years	-	(7.19)
Non deductible expenses	(2.06)	(7.34)
Rate change impact	39.31	-
Others	36.37	(1.74)
At the effective income tax rate of 13% (31 March 2019: 38.19%)	**(59.35)**	**(191.65)**
Income tax expense reported in the statement of profit and loss	**(59.35)**	**(191.65)**

30. Components of Other Comprehensive Income (OCI)
The disaggregation of changes in other comprehensive income by each type of equity is shown below:

Retained earnings

	For the year ended 31 March 2020	For the year ended 31 March 2019
Re-measurement gains/(losses) on defined benefit plans	(5.75)	(1.06)
Tax impact on re-measurement gains/(losses) on defined benefit plans	1.67	0.37
	(4.08)	(0.69)

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31. Earnings per share

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

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

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit attributable to equity holders of the company	(397.28)	(310.24)
Weighted average number of equity shares used for computing Earning per Share (Basic)	34.98	34.98
Weighted average number of equity shares used for computing Earning per Share (Diluted)	34.83	34.89
Basic EPS	(11.36)	(8.87)
Diluted DPS	(11.36)	(8.87)

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32. The Company renders various administrative and management services to its subsidiaries companies to facilitate its day to day operations. accordingly, the Company has charged ₹ 68.32 million (31 March 2019 ₹. 68.91 million) towards such services rendered during the year ended 31 March 2020.

33. **Gratuity and other post- employment benefits plan**

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service or part thereof in excess of six months subject to a maximum of ₹ 2 millions. The scheme is funded with two insurance companies in the form of qualifying insurance policies.

The following tables summarize the components of net benefit expense recognised in the profit and loss account and amounts recognized in the balance sheet for Gratuity Plan.

Statement of profit & loss account

Net employee benefit expense recognised in employee cost: (₹ in millions)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	7.31	6.80
Interest cost on defined obligation	3.55	3.19
Expected return on plan assets	(2.65)	(2.55)
	8.21	7.44

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial (gains) / losses on obligation	1.90	1.13
Actuarial gains / (losses) on assets	(3.85)	0.07
	5.75	1.06

Balance sheet

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening defined benefit obligation	46.66	42.00
Current service cost	7.31	6.80
Interest cost	3.55	3.19
Benefits paid from plan assets	(10.97)	(6.46)
Acquisition / Divestiture	2.09	-
Actuarial (gains) / losses on obligation	1.90	1.13
Closing defined benefit obligation	**50.54**	**46.66**
Current Portion	-	-
Non - Current Portion	**50.54**	**46.66**

Changes in the fair value of plan assets are as follows:

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening fair value of plan assets	34.47	33.10
Expected return	2.65	2.55
Contributions by employer	3.08	5.21
Benefits paid	(10.97)	(6.46)
Actuarial gain/(loss)	(3.85)	0.07
Closing fair value of plan assets	**25.38**	**34.47**

The Expected contribution to the defined benefit plan in future years ₹ 4.39 millions (31 March 2019: ₹ 1.21 millions)

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Investments with insurer	100%	100%

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Discount rate	6.77%	7.70%
	6.77%	7.70%
Expected rate of salary increase	6.00%	6.00%
Retirement Age (In years)	60 years	60 years
Employee turnover :-		
- For Service up to 5 years	5.00%	5.00%
- For Service more than 5 years	1.00%	1.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2006-08)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

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

	Change in assumptions	For the year ended 31 March 2020	For the year ended 31 March 2019
Discount rate	+ 1%	45.32	41.91
Expected rate of salary increase	+ 1%	56.40	52.13
	- 1%	45.52	41.98

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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34 Leases

The Company has adopted Ind AS 116 "Leases" from 1st April 2019, which resulted in changes in accounting policies in the financial statements.

Transition

Effective 1st April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective (alternative II) approach. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 103.39 million (excluding leasehold land of ₹ 98.72 million) with a corresponding lease liability. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applying a single discount rate to a portfolio of leases with reasonably similar characteristics.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. The company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the company relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April 2019 is 10% with maturity between 2021-2026.

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

(₹ in millions)

	For the year ended 31 March 2020
As at 1st April 2019	96.63
Additions (Note 4B)	74.48
Deletions	(4.53)
Depreciation expense (Note 21)	(37.63)
As at 31 March 2020	**128.95**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	For the year ended 31 March 2020
As at 1st April 2019	103.39
Additions	74.48
Accretion of interest	12.08
Deletion during the year	(5.44)
Payments	(44.64)
As at 31 March 2020	**139.87**
Current	**53.91**
Non-current	**85.96**

The following are the amounts recognised in Profit or Loss:

	For the year ended 31 March 2020
Depreciation expense of right-of-use assets	37.63
Interest expense on lease liabilities	12.08
Expense relating to Short-term leases (included in other expenses)	50.60
Total amount recognised in Profit or Loss	**100.31**

The Company had total cash outflows for leases of ₹ 44.64 Mn in 31 March 2020 (31 March 2019 ₹ NIL). The Company also had non-cash additions to lease liabilities of ₹ 74.48 Mn in 31 March 2020 (31 March 2019 ₹ NIL).

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹ 50.60 million for the year ended 31 March 2020.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

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35. Related party disclosure

a. Names of related parties and related party relationship

Related parties where control exists

Subsidiary company	:	Nirja Publishers & Printers Private Limited
	:	Safari Digital Education Initiatives Private Limited
	:	Eurasia Publishing House Private Limited
	:	Blackie & Son (Calcutta) Private Limited
	:	BPI (India) Private Limited
	:	Vikas Publishing House Private Limited
	:	DS Digital Private Limited
	:	New Saraswati House (India) Private Limited
	:	S. Chand Edutech Private Limited
	:	Chhaya Prakashani Private Limited
	:	Indian Progressive Publishing Co. Private Limited

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

Enterprises over which Key Management personnel or their relatives exercise significant influence	:	Hotel Tourist (Partnership firm)
	:	SC Hotel Tourist Deluxe Private Limited
	:	Shaara Hospitalities Private Limited
	:	S Chand Properties Private Limited
	:	Shyam Lal Charitable Trust
	:	RKG Hospitalities Private Limited
Associate	:	Edutor Technologies India Private Limited
	:	Smartivity Labs Private Limited

Key Management Personnel (KMP) & their relatives

Ms. Savita Gupta		Director
Mr. Himanshu Gupta	:	Managing Director
Mr. Dinesh Kumar Jhunjhnuwala	:	Whole-time Director
Mr. Gaurav Jhunjhnuwala	:	Director
Mr. Desh Raj Dogra	:	Chairman, Non-Executive, Independent Director
Ms. Archana Capoor	:	Non-Executive, Independent Director
Mr. Sanjay Vijay Bhandarkar	:	Non-Executive, Independent Director
Mr. Rajagopalan Chandrashekar	:	Non-Executive, Independent Director (w.e.f 23 July 2018)
Mr. Sanjay Gujral	:	Non-Executive, Independent Director (from 02 Nov 2018 till 05 Mar 2019)
Mr. Saurabh Mittal	:	Chief Financial Officer
Mr. Jagdeep Singh	:	Company Secretary
Relatives of KMP	:	Mr. Ravindra Kumar Gupta
	:	Mrs. Neerja Jhunjhnuwala

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(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Purchase of books and others					
Nirja Publishers & Printers Private Limited (books)	31 March 2020	0.08	-	-	0.08
	31 March 2019	(215.66)	-	-	(215.66)
Vikas Publishing House Private Limited (books)	31 March 2020	32.26	-	-	32.26
	31 March 2019	(81.97)	-	-	(81.97)
BPI (India) Private Limited (books)	31 March 2020	1.71	-	-	1.71
	31 March 2019	(1.30)	-	-	(1.30)
S. Chand Edutech Private Limited	31 March 2020	-	-	-	-
	31 March 2019	(0.53)	-	-	(0.53)
Smartivity Labs Private Limited (VRX Sets)	31 March 2020	-	0.59	-	0.59
	31 March 2019	-	(15.59)	-	(15.59)
Printing and jobwork charges					
Nirja Publishers & Printers Private Limited	31 March 2020	9.81	-	-	9.81
	31 March 2019	(11.14)	-	-	(11.14)
Vikas Publishing House Private Limited	31 March 2020	162.59	-	-	162.59
	31 March 2019	(257.01)	-	-	(257.01)
Royalty expense					
Eurasia Publishing House Private Limited	31 March 2020	8.05	-	-	8.05
	31 March 2019	(9.04)	-	-	(9.04)
Blackie & Son (Calcutta) Private Limited	31 March 2020	0.67	-	-	0.67
	31 March 2019	(1.56)	-	-	(1.56)
Vikas Publishing House Private Limited	31 March 2020	0.48	-	-	0.48
	31 March 2019	(0.36)	-	-	(0.36)
BPI (India) Private Limited	31 March 2020	0.24	-	-	0.24
	31 March 2019	(0.57)	-	-	(0.57)
Purchase- (Other) from					
SC Hotel Tourist Deluxe Private Limited	31 March 2020	-	0.27	-	0.27
	31 March 2019	-	(0.78)	-	(0.78)
Hotel Tourist	31 March 2020	-	0.16	-	0.16
	31 March 2019	-	(2.90)	-	(2.90)
Vikas Publishing House Private Limited	31 March 2020	-	-	-	-
	31 March 2019	(0.81)	-	-	(0.81)
Ravindra Kumar Gupta	31 March 2020	-	-	0.01	0.01
	31 March 2019	-	-	-	-
S. Chand Edutech Private Limited	31 March 2020	1.86	-	-	1.86
	31 March 2019	(2.95)	-	-	(2.95)
Safari Digital Education Initiatives Private Limited	31 March 2020	3.74	-	-	3.74
	31 March 2019	(4.44)	-	-	(4.44)
Purchase of fixed asset, paper and consumables					
Vikas Publishing House Private Limited (fixed assets)	31 March 2020	0.28	-	-	0.28
	31 March 2019	-	-	-	-
Nirja Publishers & Printers Private Limited (consumbales)	31 March 2020	3.69	-	-	3.69
	31 March 2019	-	-	-	-
Nirja Publishers & Printers Private Limited (fixed assets)	31 March 2020	0.13	-	-	0.13
	31 March 2019	-	-	-	-
Sales of books, fixed assets and paper					
BPI (India) Private Limited (books)	31 March 2020	0.43	-	-	0.43
	31 March 2019	-	-	-	-
DS Digital Private Limited (E books)	31 March 2020	10.95	-	-	10.95
	31 March 2019	-	-	-	-
Safari Digital Education Initiatives Private Limited (E books)	31 March 2020	3.79	-	-	3.79
	31 March 2019	(3.37)	-	-	(3.37)
Chhaya Prakashani Private Limited (fixed assets)	31 March 2020	0.11	-	-	0.11
	31 March 2019	-	-	-	-
Vikas Publishing House Private Limited (papers)	31 March 2020	-	-	-	-
	31 March 2019	(4.88)	-	-	(4.88)
S. Chand Edutech Private Limited (media space)	31 March 2020	3.28	-	-	3.28
	31 March 2019	-	-	-	-
Sale of services (Job work)					
Vikas Publishing House Private Limited	31 March 2020	1.92	-	-	1.92
	31 March 2019	-	-	-	-
Chhaya Prakashani Private Limited	31 March 2020	1.22	-	-	1.22
	31 March 2019	-	-	-	-
New Saraswati House (India) Private Limited	31 March 2020	20.01	-	-	20.01
	31 March 2019	-	-	-	-

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(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Other expenses paid (reimbursement)					
S. Chand Edutech Private Limited	31 March 2020	0.12	-	-	0.12
	31 March 2019	(0.04)	-	-	(0.04)
Vikas Publishing House Private Limited	31 March 2020	0.98	-	-	0.98
	31 March 2019	(2.26)	-	-	(2.26)
Safari Digital Education Initiatives Private Limited	31 March 2020	0.58	-	-	0.58
	31 March 2019	(0.78)	-	-	(0.78)
DS Digital Private Limited	31 March 2020	0.83	-	-	0.83
	31 March 2019	-	-	-	-
Shyam Lal Charitable Trust	31 March 2020	-	0.04	-	0.04
	31 March 2019	-	(0.01)	-	(0.01)
New Saraswati House (India) Private Limited	31 March 2020	0.85	-	-	0.85
	31 March 2019	(0.38)	-	-	(0.38)
Chhaya Prakashani Private Limited	31 March 2020	0.13	-	-	0.13
	31 March 2019	-	-	-	-
S Chand Properties Private Limited	31 March 2020	-	0.71	-	0.71
	31 March 2019	-	-	-	-
Rentals paid		-	-	-	
Safari Digital Education Initiatives Private Limited	31 March 2020	14.98	-	-	14.98
	31 March 2019	(14.49)	-	-	(14.49)
S Chand Properties Private Limited	31 March 2020	-	14.84	-	14.84
	31 March 2019	-	(34.05)	-	(34.05)
Mrs.Savita Gupta	31 March 2020	-	-	1.16	1.16
	31 March 2019	-	-	(3.52)	(3.52)
Mrs.Neerja Jhunjhnuwala	31 March 2020	-	-	0.67	0.67
	31 March 2019	-	-	(2.69)	(2.69)
Ravindra Kumar Gupta	31 March 2020	-	-	0.23	0.23
	31 March 2019	-	-	(1.40)	(1.40)
Lease rent paid					
Nirja Publishers & Printers Private Limited (plant and machinery)	31 March 2020	4.59	-	-	4.59
	31 March 2019	-	-	-	-
Vikas Publishing House Private Limited (plant and machinery)	31 March 2020	0.92	-	-	0.92
	31 March 2019	-	-	-	-
Rent income					
Vikas Publishing House Private Limited (warehouse)	31 March 2020	0.15	-	-	0.15
	31 March 2019	-	-	-	-
Management cross charges					
Vikas Publishing House Private Limited	31 March 2020	13.28	-	-	13.28
	31 March 2019	(18.99)	-	-	(18.99)
New Saraswati House (India) Private Limited	31 March 2020	18.04	-	-	18.04
	31 March 2019	(18.45)	-	-	(18.45)
Safari Digital Education Initiatives Private Limited	31 March 2020	6.27	-	-	6.27
	31 March 2019	(5.21)	-	-	(5.21)
DS Digital Private Limited	31 March 2020	6.38	-	-	6.38
	31 March 2019	(5.17)	-	-	(5.17)
S. Chand Edutech Private Limited	31 March 2020	9.77	-	-	9.77
	31 March 2019	(12.91)	-	-	(12.91)
Chhaya Prakashani Private Limited	31 March 2020	11.36	-	-	11.36
	31 March 2019	(8.17)	-	-	(8.17)

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(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Interest income					
Eurasia Publishing House Private Limited	31 March 2020	13.87	-	-	13.87
	31 March 2019	(13.83)	-	-	(13.83)
New Saraswati House (India) Private Limited	31 March 2020	4.75	-	-	4.75
	31 March 2019	(30.66)	-	-	(30.66)
Vikas Publishing House Private Limited	31 March 2020	12.30	-	-	12.30
	31 March 2019	(43.86)	-	-	(43.86)
Safari Digital Education Initiatives Private Limited	31 March 2020	17.22	-	-	17.22
	31 March 2019	(13.04)	-	-	(13.04)
DS Digital Private Limited	31 March 2020	8.50	-	-	8.50
	31 March 2019	(7.05)	-	-	(7.05)
S. Chand Edutech Private Limited	31 March 2020	2.45	-	-	2.45
	31 March 2019	(2.22)	-	-	(2.22)
Miscellaneous income		-	-	-	
Vikas Publishing House Private Limited	31 March 2020	0.29	-	-	0.29
	31 March 2019	(0.14)	-	-	(0.14)
Chhaya Prakashani Private Limited	31 March 2020	0.02	-	-	0.02
	31 March 2019	-	-	-	-
S. Chand Edutech Private Limited	31 March 2020	0.03	-	-	0.03
	31 March 2019	(1.19)	-	-	(1.19)
Loans given					
New Saraswati House (India) Private Limited	31 March 2020	125.00	-	-	125.00
	31 March 2019	-	-	-	-
DS Digital Private Limited	31 March 2020	29.30	-	-	29.30
	31 March 2019	(25.00)	-	-	(25.00)
Safari Digital Education Initiatives Private Limited	31 March 2020	-	-	-	-
	31 March 2019	(66.50)	-	-	(66.50)
Loans repayment received					
Vikas Publishing House Private Limited	31 March 2020	266.00	-	-	266.00
	31 March 2019	(150.00)	-	-	(150.00)
Remuneration to KMP					
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2020	-	-	14.48	14.48
	31 March 2019	-	-	(12.95)	(12.95)
Mr. Himanshu Gupta	31 March 2020	-	-	14.54	14.54
	31 March 2019	-	-	(12.88)	(12.88)
Mr. Desh Raj Dogra	31 March 2020	-	-	0.53	0.53
	31 March 2019	-	-	(0.59)	(0.59)
Ms. Archana Capoor	31 March 2020	-	-	0.50	0.50
	31 March 2019	-	-	(0.56)	(0.56)
Mr. Sanjay Vijay Bhandarkar	31 March 2020	-	-	0.41	0.41
	31 March 2019	-	-	(0.21)	(0.21)
Mr. Rajagopalan Chandrashekar	31 March 2020	-	-	0.38	0.38
	31 March 2019	-	-	(0.12)	(0.12)
Mr. Sanjay Gujral	31 March 2020	-	-	-	-
	31 March 2019	-	-	(0.18)	(0.18)
Mr. Saurabh Mittal	31 March 2020	-	-	9.90	9.90
	31 March 2019	-	-	(12.94)	(12.94)
Mr. Jagdeep Singh	31 March 2020	-	-	5.52	5.52
	31 March 2019	-	-	(7.11)	(7.11)
Investment made during the period					
S. Chand Edutech Private Limited	31 March 2020	-	-	-	-
	31 March 2019	(39.95)	-	-	(39.95)
New Saraswati House (India) Private Limited	31 March 2020	-	-	-	-
	31 March 2019	(520.00)	-	-	(520.00)
Smartivity Labs Private Limited (Preference shares)	31 March 2020	-	-	-	-
	31 March 2019	-	(2.96)	-	(2.96)

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(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Balances outstanding as at 31 March 2020					
Security deposit receivable					
Safari Digital Education Initiatives Private Limited	31 March 2020	4.80	-	-	4.80
	31 March 2019	(4.80)	-	-	(4.80)
S Chand Properties Private Limited	31 March 2020	-	0.58	-	0.58
	31 March 2019	-	(12.55)	-	(12.55)
Mrs.Savita Gupta	31 March 2020	-	-	0.39	0.39
	31 March 2019	-	-	(0.54)	(0.54)
Mrs.Neerja Jhunjhnuwala	31 March 2020	-	-	-	-
	31 March 2019	-	-	(0.12)	(0.12)
Ravindra Kumar Gupta	31 March 2020	-	-	0.41	0.41
	31 March 2019	-	-	(0.41)	(0.41)
Loans and advances					
Eurasia Publishing House Private Limited	31 March 2020	12.10	-	-	12.10
	31 March 2019	-	-	-	-
Vikas Publishing House Private Limited	31 March 2020	-	-	-	-
	31 March 2019	(266.00)	-	-	(266.00)
Safari Digital Education Initiatives Private Limited	31 March 2020	188.64	-	-	188.64
	31 March 2019	(166.66)	-	-	(166.66)
DS Digital Private Limited	31 March 2020	130.35	-	-	130.35
	31 March 2019	(92.63)	-	-	(92.63)
S. Chand Edutech Private Limited	31 March 2020	67.36	-	-	67.36
	31 March 2019	(53.82)	-	-	(53.82)
SC Hotel Tourist Deluxe Private Limited	31 March 2020	-	0.95	-	0.95
	31 March 2019	-	(1.48)	-	(1.48)
Hotel Tourist	31 March 2020	-	0.43	-	0.43
	31 March 2019	-	-	-	-
New Saraswati House (India) Private Limited	31 March 2020	196.50	-	-	196.50
	31 March 2019	(48.56)	-	-	(48.56)
Shaara Hospitalities Private Limited	31 March 2020	-	-	-	-
	31 March 2019	-	(0.01)	-	(0.01)
BPI (India) Private Limited	31 March 2020	2.03	-	-	2.03
	31 March 2019	(3.73)	-	-	(3.73)
RKG Hospitalities Private Limited	31 March 2020	-	0.34	-	0.34
	31 March 2019	-	(0.34)	-	(0.34)
S Chand Properties Private Limited	31 March 2020	-	8.62	-	8.62
	31 March 2019	-	-	-	-
Chhaya Prakashani Private Limited	31 March 2020	11.45	-	-	11.45
	31 March 2019	(8.83)	-	-	(8.83)
Shyam Lal Charitable Trust	31 March 2020	-	0.01	-	0.01
	31 March 2019	-	-	-	-
Loans and advances to KMP					
Mr. Saurabh Mittal	31 March 2020	-	-	3.14	3.14
	31 March 2019	-	-	(3.98)	(3.98)
Mr. Jagdeep Singh	31 March 2020	-	-	-	-
	31 March 2019	-	-	(0.60)	(0.60)
Trade payables					
Nirja Publishers & Printers Private Limited	31 March 2020	8.53	-	-	8.53
	31 March 2019	(45.34)	-	-	(45.34)
Vikas Publishing House Private Limited	31 March 2020	79.85	-	-	79.85
	31 March 2019	(116.97)	-	-	(116.97)
Eurasia Publishing House Private Limited	31 March 2020	8.22	-	-	8.22
	31 March 2019	(0.88)	-	-	(0.88)
Blackie & Son (Calcutta) Private Limited	31 March 2020	3.51	-	-	3.51
	31 March 2019	(3.10)	-	-	(3.10)
Smartivity Labs Private Limited	31 March 2020	-	-	-	-
	31 March 2019	-	(1.07)	-	(1.07)
Hotel Tourist	31 March 2020	-	-	-	-
	31 March 2019	-	(0.09)	-	(0.09)
Trade payable to KMP					
Ravindra Kumar Gupta	31 March 2020	-	-	0.23	0.23
	31 March 2019	-	-	-	-

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(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Directors/KMP remuneration payable					
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2020	-	-	0.43	0.43
	31 March 2019	-	-	(0.42)	(0.42)
Mr. Himanshu Gupta	31 March 2020	-	-	0.40	0.40
	31 March 2019	-	-	(0.44)	(0.44)
Mr. Saurabh Mittal	31 March 2020	-	-	0.27	0.27
	31 March 2019	-	-	(0.54)	(0.54)
Mr. Jagdeep Singh	31 March 2020	-	-	0.20	0.20
	31 March 2019	-	-	(0.44)	(0.44)
Trade receivable					
BPI (India) Private Limited	31 March 2020	16.42	-	-	16.42
	31 March 2019	(15.99)	-	-	(15.99)
New Saraswati House (India) Private Limited	31 March 2020	26.84	-	-	26.84
	31 March 2019	(5.83)	-	-	(5.83)
Safari Digital Education Initiatives Private Limited	31 March 2020	12.93	-	-	12.93
	31 March 2019	(8.95)	-	-	(8.95)
Vikas Publishing House Private Limited	31 March 2020	2.02	-	-	2.02
	31 March 2019	-	-	-	-
DS Digital Private Limited	31 March 2020	29.76	-	-	29.76
	31 March 2019	(18.26)	-	-	(18.26)
S. Chand Edutech Private Limited	31 March 2020	3.44	-	-	3.44
	31 March 2019	-	-	-	-
Chhaya Prakashani Private Limited	31 March 2020	1.26	-	-	1.26
	31 March 2019	-	-	-	-

(Figures in brackets represents previous year figures.)

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36. Employee stock option plans

The Company provides share-based payment schemes to its employees. During the year ended 31 March 2020 an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On 30 June 2012, the board of directors approved the Equity Settled ESOP Scheme 2012 (Scheme 2012) for issue of stock options to the eligible employees. According to the Scheme 2012, two types of options are granted by the Company to the eligible employees viz Growth and Thankyou option and will be entitled to 2,194 and 292 options respectively. The options are subject to satisfaction of the prescribed vesting conditions, viz., continuing employment with the company. However in case of growth options, in addition to this the board may also specify the certain corporate, individual or a combination performance parameters subject to which the option would vest. The other relevant terms of the grant are as below:

	Grant I	Grant II	Grant III (a)	Grant III (b)	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Grant V	Grant VI	Grant VII
Date of grant	09-Jul-12	09-Jul-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	30-Sep-15	28-Mar-16	05-Aug-16	16-Aug-16	30-Nov-16
Date of Board approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	27-Aug-15	27-Aug-15	27-Aug-15	28-Mar-16	05-Aug-16	05-Aug-16	19-Sep-16 & 30-Nov-16
Date of Shareholder's approval	30-Jun-12	30-Jun-12	28-Jul-14	30-Sep-14	30-Sep-15	30-Sep-15	30-Sep-15	28-Mar-16	05-Aug-16	05-Aug-16	10-Nov-16
Number of options granted	2,194	292	180	75	441	185	248	40	93,388	51,060	12,506
Method of settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting Period	Year 1- 10% Year 2- 15% Year 3-20% Year 4-25% Year 5-30%	100% Immediate vesting	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 50% Year 2- 50%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 100%	Year 1- 25% Year 2- 25% Year 3- 25% Year 4- 25%	Year 1- 50% Year 2- 50%
Exercise Period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price	9,110	9,110	36,870	36,870	36,870	45,000	45,000	45,000	304	304	392
Fair value of shares at the time of grant	4,139	4,109	10,949	10,949	25,227	20,944	20,594	20,404	112	139	60

Equity shares of ₹ 10 each were subdivided into 2 equity shares of ₹ 5 each as per resolution passed by shareholders at extraordinary general meeting dated 20 April 2016. Further, bonus shares were issued to the shareholders in the ratio of 73:1 as per resolution passed at extraordinary general meeting (EGM) dated 20 April 2016. The effect of share split and bonus issue on exercise price, fair value at the time of grant and weighted average exercise price on options granted till 31 March 2018 is as below:

	Grant I	Grant II	Grant III (a)	Grant III (b)	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Grant V	Grant VI	Grant VII
Exercise Period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price	61.55	61.55	249.12	249.12	249.12	304.05	304.05	304.05	304.00	304.00	392.00
Fair value of shares at the time of grant	27.97	27.77	73.98	73.98	170.45	141.51	139.15	137.87	112.41	138.97	60.40

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

	31 March 2020		31 March 2019	
	No. of options	WAEP (in ₹)**	No. of options	WAEP (in ₹)**
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

** denotes weighted average excecise price

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

	31 March 2020		31 March 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

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

	31 March 2020		31 March 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average remaining contractual life for option outstanding as at 31 March 2020 is Nil (31 March 2019: Nil).

The Company had granted 441 option during the financial year ended 31 March 2016. The details of activities under Grant IV(a)are summarized below:

	31 March 2020		31 March 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The Company had granted 473 option during the financial year ended 31 March 2016. The details of activities under Grant IV(b), IV(c) and IV(d) are summarized below:

	31 March 2020		31 March 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	40,034	304	40,034	304
Granted during the year	-	-	-	-
Forfeited during the year	14,578	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	25,456	304	40,034	304
Exercisable at the end of the year	25,456	304	40,034	304

The weighted average remaining contractual life for option outstanding as at 31 March 2020 under Grant IV(b) is 2.41 years, under Grant IV(c) is 2.5 years and under Grant IV(d) is 1.52 years .

The Company had granted 93,388 option during the year ended 31 March 2017. The details of activities under Grant V are summarized below: 70,202

	31 March 2020		31 March 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

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The Company had granted 51,060 option during the year ended 31 March 2017. The details of activities under Grant VI are summarized below:

	31 March 2020		31 March 2019	
	No. of options	**WAEP (in ₹)**	**No. of options**	**WAEP (in ₹)**
Outstanding at the beginning of the year	38,295	304	38,295	304
Granted during the year	-	-	-	-
Forfeited during the year	12,765	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	25,530	304	38,295	304
Exercisable at the end of the year	25,530	304	12,765	304

The weighted average remaining contractual life for option outstanding under Grant VI as at 31 March 2020 is 3.38 years.

The Company had granted 12,506 option during the year ended 31 March 2017. The details of activities under Grant VII are summarized below:

	31 March 2020		31 March 2019	
	No. of options	**WAEP (in ₹)**	**No. of options**	**WAEP (in ₹)**
Outstanding at the beginning of the year	6,451	392	6,451	392
Granted during the year	-	-	-	-
Forfeited during the year	1,750	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	4,701	392	6,451	392
Exercisable at the end of the year	4,701	392	6,451	392

The weighted average remaining contractual life for option outstanding under Grant VII as at 31 March 2020 is 1.67 years.

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Grant IVa 31 March 2016	Grant IVb 31 March 2016	Grant IVc 31 March 2016	Grant IVd 31 March 2016	Grant V 31 March 2017	Grant VI 31 March 2017	Grant VII 31 March 2017
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Expected volatility	17.05%	16.46%	16.20%	16.57%	16.43%	16.41%	17.06%
Risk-free interest rate	7.67%	7.71%	7.46%	7.36%	6.73%	6.86%	5.99%
Weighted average fair market price (Rs.)	377	377	377	377	376	376	376
Exercise price (Rs.)	249	304	304	304	304	304	392
Expected life of options granted in years	2.43	3.22	3.20	3.15	2.00	3.50	2.50
Weighted average fair value of option at the time of grant (Rs.)	170.45	141.51	139.15	137.87	112.41	138.97	60.40

Each vest has been considered as a separate grant with weights assigned to each vesting as per the vesting schedule. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected life has been calculated as an average of minimum and maximum life. Since the Company is unlisted, the volatility has been considered to be zero.

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37. Financial Instruments:- Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables . The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments in equity shares and government securities, advances to related party, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.
Market risk comprises three types of risk:-
a.) Interest rate risk,
b.) currency risk and other price risk, such as equity price risk and
c.) commodity risk.
Financial instruments affected by market risk include loans and borrowings, investments, deposits, advances and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2020 and 31 March 2019.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

a. Interest rate risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
As at 31 March 2020		
INR Borrowings	+0.50%	5.25
	-0.50%	(5.25)
As at 31 March 2019		
INR Borrowings	+0.50%	6.43
	-0.50%	(6.43)

b. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company does not hedge its foreign currency exposure, however the sensitivity analysis is given as below for the for the currencies, in which Company has foreign exposure:

	Changes in foreign currency rates	Effect on profit before tax
For the year ended 31 March 2020		
USD	+5%	1.30
	-5%	(1.30)
For the year ended 31 March 2019		
USD	+5%	1.35
	-5%	(1.35)

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B. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any significant credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Ageing analysis of trade receivables (net) before adjustment of ECL provision of ₹ 230.06 millions (31 March 2019 ₹ 184.14 million) as of the reporting date is as follows:

(Rs. In million)

Age Bracket	Not Due	0-215 Days	216-365 Days	365-730 Days	More than 730 Days	Total
As at 31 March 2019	1,447.98	148.57	393.32	39.99	119.76	**2,149.62**
As at 31 March 2020	1,175.39	91.96	295.51	112.12	61.82	**1,736.80**

C. Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. The company's approach to managing liquidity to ensure , as far as possible, that it will have sufficient liquidity to meet its liability when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company closely monitors its liquidity position and deploys a robust cash management system. The Company manages liquidity risk by maintaining adequate reserves, borrowing liabilities, by continuously monitoring forecast and actual cash flows, profile of financial assets and liabilities. It maintain adequate sources of financing including loans from banks at an optimised cost. The table below provides the details regarding contractual maturities of financial liabilities.

	As at 31 March 2020	As at 31 March 2019
On Demand		
- Borrowings	593.91	619.80
	593.91	**619.80**
Less than 1 year		
- Borrowings	2.86	87.81
- Trade payables	619.02	805.67
- Other financial liabilities	152.03	167.71
	773.90	**1,061.19**
More than 1 year		
- Borrowings	453.48	577.43
	453.48	**577.43**

38. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio less than 30%. The Company measures underlying net debt as total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents. For the purpose of capital management, total capital includes issued equity equity capital, share premium and all other reserves attributable to the equity holders of the Company, as applicable.

Company's adjusted net debt to equity ratio as at 31 March 2020 is as follow:

Gearing Ratio	As at 31 March 2020	As at 31 March 2019
Borrowings (Note 12A & 12B) (Including current maturities)	1,050.25	1,285.04
Less: cash and cash equivalents (Note 5D)	(10.83)	(237.99)
Adjusted Net debt (A)	**1,039.42**	**1,047.05**
Equity	7,827.49	8,228.18
Total equity (B)	**7,827.49**	**8,228.18**
Total equity and net debt [C = (A+B)]	**8,866.91**	**9,275.22**
Gearing Ratio (A/C)	12%	11%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There were certain breach of covenant of loans from banks and financial institutions which have been intimated to the respective lenders.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

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39. Fair Values

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

(₹ in millions)

Particulars	31 March 2020			31 March 2019		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Assets						
Non current financial assets						
- Investments	5,311.15	709.69	-	5,374.44	700.86	-
- Loans	339.69	-	-	577.85	-	-
- Other financial assets	10.84	-	-	4.86	-	-
Financial assets						
- Trade receivables	1,506.74	-	-	1,965.48	-	-
- Loans	291.40	-	-	94.66	-	-
- Investments	-	1.57	-	14.06	22.33	-
- Other financial assets	13.26	-	-	17.10	-	-
- Cash and cash equivalents	10.83	-	-	237.99	-	-
Non Current Financial liabilities						
- Borrowings	453.48	-	-	577.43	-	-
- Other financial liabilities	-	-	-	6.27	-	-
Current Financial liabilities						
- Borrowings	593.91	-	-	619.80	-	-
- Trade payables	619.03	-	-	805.67	-	-
- Other financial liabilities	154.89	-	-	255.52	-	-

The following assumptions/ methods were used to estimate the fair values:

i.) The fair values of trade receivables, cash and cash equivalents, other current financial assets, trade payable and other current financial liabilities are considered to be same as their carrying values due to their short term nature.

ii.) Fair value of quoted financial instruments is based on quoted market price at the reporting date.

iii.) The carrying amount of other items carried at amortized cost are reasonable approximation of their fair value.

iv) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the quoted notes and bonds are based on price quotations at the reporting date.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:

(₹ in Million)

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:			
Mutual Funds	1.02	-	-
Liability measured at fair value			
Other financial liabilities	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:

(₹ in Million)

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:			
Mutual Funds	21.36	-	-
Liability measured at fair value			
Other financial liabilities	-	-	-

40. The Company has filed Draft Composite Scheme of Arrangement on January 9, 2018, amongst Blackie & Son (Calcutta) Private Limited ("Blackie"), Nirja Publishers & Printers Private Limited ("Nirja"), DS Digital Private Limited ("DS Digital"), Safari Digital Education Initiatives Private Limited ("Safari Digital") and S Chand And Company Limited ("S Chand") and their respective shareholders and creditors (Composite Scheme) with BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular"). The Scheme inter alia includes amalgamation of Blackie & Nirja with and into S Chand, demerger of the education business of DS Digital & Safari with and into S Chand and amalgamation of residual business (after demerger) of DS Digital with and into Safari. The Company had filed the Scheme with NCLT. NCLT vide its order dated February 10, 2020 had directed to convene meetings of shareholders, secured & unsecured creditors of S Chand and meeting of secured & unsecured creditors of Nirja and DS Digital ("the meetings") for approval of the Scheme. However, due to Covid19 pandemic and nationwide lockdown the meetings were adjourned. NCLT vide its order dated May 29, 2020 has directed to convene the meetings through video conferencing in the month of July 2020.

41. Corporate Social Responsibility

(₹ in Million)

	As at 31 March 2020	As at 31 March 2019
a) Gross amount required to be spent by the Company during the year	4.84	9.87
b) Amount spent during the year	8.31	1.45

S.R. Batliboi & Associates LLP
Gurugram

S Chand And Company Limited
New Delhi

42. Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations predominantly relate to publishing of books. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

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

	As at 31 March 2020	As at 31 March 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	4.20	3.27
- Interest due on above	-	0.04
	4.20	**3.31**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.		-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006		-

44. Imported and Indigenous raw materials, components and spare parts consumed

Raw Materials	Imported		Indigenously obtained	
	Percentage (%)	(Amount in ₹)	Percentage (%)	(Amount in ₹)
As at 31 March 2019	0%	-	100%	973.72
As at 31 March 2020	0%	-	100%	534.40

45. Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain loans the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013:

Name of the loanee	Rate of Interest/ Due Date	Tenure	Secured/ unsecured	31 March 2020	31 March 2019
Safari Digital Education Initiatives Private Limited	10.60%-11.05% p.a	3 years	Unsecured	175.05	159.55
D S Digital Private Limited	10.60%-11.05% p.a	3 years	Unsecured	111.93	74.98
New Saraswati House (India) Private Limited	10.60%-11.25% p.a	3 years	Unsecured	154.47	25.20
Vikas Publishing House Private Limited	10.60%-11.25% p.a	3 years	Unsecured	-	266.00
S Chand Edutech Private Limited	10.60%-11.05% p.a	3 years	Unsecured	24.90	22.69

46 Information about major customers

Revenue from one major customer amounted to ₹ 211.45 million which aggregating to 11.29% of total revenue. Last year no single customer exceeded more than 10% of total revenue.

47 The Company had made an investment in 410 optionally convertible redeemable debentures of ₹ 100,000 each fully paid in Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) during the financial year 2007-08 as per the debenture subscription agreement dated 14 May 2007. The debentures were converted into 512,500 optionally convertible or redeemable preference shares during the financial year 2008-09 as per the debenture conversion agreement dated 03 March 2009. These preference shares were redeemable or convertible at the option of the shareholder as per the debenture conversion agreement. The preference shares were due for redemption or conversion during the financial year 2011-12 and the Company opted for redemption of preference shares which the Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) failed and defaulted in redeeming the preference shares. The Company had filed a case against Waldorf Integration Solutions Limited (formerly Cityxys Technologies Limited) demanding redemption of the preference shares held by the Company and on March 28, 2018, the Hon'ble Arbitral Tribunal, awarded the case in favour of the Company. The management in consultation with lawyers, has reversed the provision made of ₹ 41 Million and accrued premium on redemption of ₹ 23 Million in the current financial year. During the FY 2018-19, Citixyxs approached the company for settlement and paid ₹ 72.50, Accordingly ₹ 8.44 has been realised as other income. During the FY 2019-20 the company has received ₹ 14.06 million.

48 Capital and other commitment

		As at 31 March 2020	As at 31 March 2019
a.	Capital commitment (net of advance)	-	-
b.	For commitment relating to lease arrangement, please refer note 34		

49 Contingent liabilities

	As at 31 March 2020	As at 31 March 2019
Corporate guarantee (refer note 'a' below)	1,098.89	1,252.68
Dealer financing (refer note 'e' below)	-	100.00
Stamp duty (refer note 'b' below)	95.01	95.01
Registration fee (refer note 'b' below)	9.15	9.15
Income Tax demand (refer note 'c' & 'd' below)	0.72	1.39

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

b During the year 2015-16, the Company received notice under Indian Stamp Act, 1899 for non-payment of stamp duty on transfer of property on amalgamation and demerger held in the financial year 2011-12. The district registrar contented that order of Hon'ble High Court for amalgamation and demerger does not grants exemption in respect of payment of stamp duty.

During the year 2017-18, the Company has also received a demand notice from the Sub-Registrar under section 80A of the Registration Act, 1908 wherein the authority has directed the Company to pay additional registration fee of ₹ 9,154,800 (31 March 2019: 9,154,800)

Based on legal advise, management is of the view that no liability would accrue on the Company on account of such case. Accordingly, no provision has been made in the books of account for the same.

c In respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter is pending with the Delhi High Court. The amount involved is ₹ 0.67 million (31 March 2019: ₹ 0.67 million).

d In respect of Assessment Year 2015-16 a disallowance under section 36(1)(va) read with section 2(24)(x) of the act, a demand has been raised on account of disallowance of payment made towards employee's contribution to PF after the due date of payment but before the due date of filling return. The matter is pending with CIT (A). The amount involved is ₹ 0.72 million (31 March 2019: ₹ 0.72 million)

e During the year Nil (31 March 2019 ₹ 100 millions) dealer financing facility is availed through Yes Bank. The same amount has been repaid during the year.

f There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

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50. During the year ended 31 March 2019, the company experienced significant sales return amounting to ₹ 175.57 million which were more than the management estimates and were considered exceptional as being other than the ordinary course of business.

51 During the year ended 31 March 2019, diminution in the carrying value of investment in respect of DS Digital Private Limited amounting to ₹ 50 million (represented by Investment in Equity Shares) has been made to recognise a decline in resultant business of Risekids (Pre School business), other than temporary in the value of the investment. (Refer note 40 above)

During the year ended 31 March 2020, diminution in the carrying value of investment in respect of Safari Digital Education Initiatives Private Limited amounting to ₹ 70 million (represented by Investment in Equity Shares) has been made to recognise a decline in the value of its investments in resultant business, other than temporary in the value of the investment. (Refer note 40 above)

52. **Unhedged foreign currency exposure**

The amount of foreign currency exposure that are not hedged by derivative instrument or otherwise as on 31 March 2020 and 31 March 2019 are as under:

(₹ in Million)

	Foreign currency	Amount in foreign currency		Amount in INR	
		31 March 2020	31 March 2019	31 March 2020*	31 March 2019**
Trade Receivables	USD	0.29	0.39	22.16	27.08

*Exchange Rate for 31 March 2020, 1 USD = Rs.75.32
**Exchange Rate for 31 March 2019, 1 USD = Rs.69.32

53. The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown in economic activity including India. This event has significantly effected economic activities and the impact of coronavirus on our business will depend on future developments that cannot be reliably predicted. Post the outbreak, certain premises (including warehouse) of the Company and third party (used for job work purposes) have been closed since 22 March 2020, however, effective 08 May 2020, operations have commenced in a phased manner as per the directives from the government.

In developing the assumptions relating to possible uncertainties in the business conditions because of the pandemic, the Company, as on the date of approval of these financials results have used variable information as available and considered the possible effects that may result from COVID-19 on the carrying amount of its assets i.e. assessing counterparty credit risk in case of financial assets (comprising cash and cash equivalents, bank deposits and investments in mutual funds) and subsequent recoveries, past trends, credit risks profile of customers in case of trade receivables and advances to vendors. The company expects to recover the carrying amount of the assets and investment. The Company while assessing Right to Use Asset and Investment in Subsidiaries, has considered past trend, future business projections, performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of other assets will be recovered and does not foresee either significant down-sizing in the operations or any changes in lease terms.

As at the balance sheet date, the Company has evaluated the impact of COVID 19 on its financial results the impact of COVID 19 may differ from the estimates as at the date of approval of these financial statements. There have been no material changes in the controls or processes followed in the financial statements closing process of the company. The company will continue to monitor any future changes to the business and financial statements due to COVID-19.

The management, based on its current and future business plans, after considering COVID 19 impact, has assessed that the Company's ability to meet its contractual obligations and liabilities that fall due in near future including repayment of the debts taken from banks / financial institutions and their related covenants, is dependent upon timely realization of debtors collections and subsequent sale of inventory. The management has assessed that it will be able to realize the collections on timely basis despite COVID 19 challenges and would be able to arrange sufficient working capital facilities from banks/ financial intuitions, if required, to ensure continuity of operations. The management has availed moratorium offered by one financial institutions during the month of Apr-May'2020 to manage cash flows.

54. The Company as part of its policy performs physical verification of inventory bi-annually in September and March every year. Accordingly, the management, had carried out physical verification of inventory for the period ended 30 September 2019, however, as at 31 March 2020, due to travel restrictions on account of COVID-19 and due to significant business activities subsequent to year-end in the post-lock down period, the management could not perform physical count of inventory as at 31 March, 2020 through to the date of approval of these financial statements. The management has, therefore, relied upon the inventory count reflected in its books of accounts, which is the balancing figure for the opening, purchases and the inventory consumed / sold during the financial year. The management intends to complete the physical verification process in the subsequent quarter and doesn't expect any significant impact which could arise on completion of this process.

55. During the year-ended 31 March 2020, due to COVID 19, the Company has performed a detailed assessment of its existing inventory and as a result, the Company has further reduced the valuation of certain titles to their current realizable value and recorded additional provision of ₹ 32.61 Mn as exceptional cost.

56. Previous year figures have been regrouped/ reclassed, where necessary, to conform to this years classification.

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

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W / E300004
Chartered Accountants

per Sanjay Bachchani
Partner
Membership No.: 400419

S.R. Batliboi & Associates LLP * Gurugram *

Place : Gurugram
Date : 30 June 2020

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

Himanshu Gupta
Managing Director
DIN: 00054015

Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Saurabh Mittal
Chief Financial Officer

Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 30 June 2020

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