

Independent Auditor's Report

To the Members of S Chand And Company Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of S Chand And Company Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As explained in the note 51 of the standalone financial statement, due to outbreak of second wave of COVID-19 pandemic, the management could not perform physical count of inventory as at 31 March 2021 through to the date of approval of these standalone financial statements. Accordingly, we were not able to observe the physical count of inventory nor obtain sufficient appropriate audit evidence through any alternate audit procedures, and therefore, we were unable to verify the existence/condition of inventories of INR 397.54 million finished goods, INR 18.07 million traded goods and INR 35.73 million raw materials to determine any adjustments that may be required to be made in the value of such inventory balances and any consequential effect thereof to the standalone financial statements as at 31 March 2021.
4. We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the 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 opinion.

Emphasis of Matter – Impact of Covid 19

5. We draw attention to note 50 of the standalone financial statements which describes the effects of uncertainties relating to the outbreak of Covid-19 pandemic and management's evaluation of its impact on the Company's operations and the accompanying standalone financial statements of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<p>a) Assessment of the realisability of investments made and loans given to a subsidiary company:</p> <p>As at 31 March 2021, the Company has investments in New Saraswati House (India) Private Limited (herein referred as "NSH") amounting to INR 1,482.54 million and has given loans amounting to INR 125.43 million. NSH has incurred losses during the current and previous years.</p> <p>Since, the recoverability of the aforesaid amounts is largely dependent on the operational performance of NSH, therefore, there is a risk that NSH may not achieve the anticipated business performance, leading to an impairment charge that has not been recognized by the management.</p> <p>Management has assessed the realisability of the aforesaid amounts by carrying out a valuation of the subsidiary's business using the discounted cashflow method ("the Model"). The Model involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement and is inherently subjective.</p>	<p>Our audit procedures included, but were not limited to, the following procedures:</p> <p>a) Obtained an understanding from the management with respect to process and controls followed by the Company to determine recoverability of the amounts receivable from its subsidiary companies and associate including design and implementation of controls. We have tested the design and operating effectiveness of these controls;</p> <p>b) Obtained the valuation model from the management and reviewed their conclusions, including reading the report provided by an independent valuation expert for investments engaged by the management where impairment indicators were identified;</p> <p>c) Assessed the professional competence, objectivity and capabilities of the third party expert used by the management for performing the required valuations to estimate the recoverable value of the amounts receivable from the subsidiary;</p> <p>d) Tested the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management relating to these projections;</p>

Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>Considering the materiality of the above matter to the standalone financial statements, complexities and judgement involved, and the significant auditor attention required to test such management's judgement, we have identified this as a key audit matter for current year audit.</p>	<p>e) Assessed the reasonableness of the key assumptions used and appropriateness of the valuation methodology applied by engaging auditor's valuation specialists. Tested the discount rate and terminal growth rates used in the forecast including comparison to economic and industry forecasts, where appropriate;</p> <p>f) Evaluated sensitivity analysis performed by the management and performed independent sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management;</p> <p>g) Evaluated the appropriateness and adequacy of disclosures made in the standalone financial statements in accordance with the applicable accounting standards.</p>
<p>b) Provisions for doubtful debts:</p> <p>The Company has reported trade receivables of INR 1,354.09 million as at 31 March 2021 and expected credit losses allowance of INR 184.62 million as detailed in note 5C of the standalone financial statements. Further, refer note 2.14 of the standalone financial statements, which outlines the accounting policy for determining the allowance for doubtful debts</p> <p>Owing to the nature of operations of the Company and related customer profiles, the Company has significant receivable balances that are past the credit period for the products offered by the Company. 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 outstanding beyond the credit terms extended to customers.</p> <p>The provisions for doubtful debts are determined using 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</p>	<p>Our audit procedures included, but were not limited to, the following procedures:</p> <p>a) Obtained an understanding from the management with respect to process and controls followed by the Company to determine provision for doubtful debts including design and implementation of controls. We have tested the design and operating effectiveness of these controls;</p> <p>b) Assessed the Company's accounting policy with respect to provision for doubtful debts, which included assessing appropriateness of the expected credit loss impairment model and checking the mathematical accuracy of the calculations;</p> <p>c) Evaluated management's assessment of change in risk of default based on enquiry with relevant personnel and corroboration with independently available external information, if any;</p> <p>d) On a sample basis, obtained direct confirmations from the customers of the Company having outstanding receivable balances as at the reporting date;</p> <p>e) Where direct confirmations were not obtained, subsequent realization of the outstanding invoices and/ or customer acknowledgement of goods received or services rendered was assessed;</p>

Walker Chandio & Co LLP

Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>value of money. Therefore, it is determined to be a key audit matter.</p> <p>Considering the materiality of trade receivables balances to the Company's standalone financial statements and the significant estimates and judgements involved in the estimation of expected credit losses due to long standing trade balances, this is considered as a key audit matter for the current year audit.</p>	<p>f) Assessed the Company's disclosures in relation to trade receivables included in the financial statements.</p>
<p>c) Estimation of sales returns and discounts:</p> <p>Refer accounting policies in note 2.5 to the standalone financial statements.</p> <p>The Company is involved in publishing and distribution of educational books. Due to the nature of business, the Company offers an 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 and 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 and discounts are estimated, deducted from revenue and accounts receivables.</p> <p>Estimates of sales returns and discounts 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 sales returns and discount claims. Significant judgement is required in assessing the appropriate level of the provision for sales return and discounts.</p>	<p>Our audit procedures included, but were not limited to, the following procedures:</p> <p>a) Obtained an understanding from the management with respect to process and controls followed by the Company to determine provision for sales return and discount including design and implementation of controls. We have tested the design and operating effectiveness of these controls</p> <p>b) Obtained management's calculations for provision for sales returns and discounts, recalculated the amounts for mathematical accuracy and evaluated the assumptions used by reference to internal sources (i.e. management budgets and schemes offered to customers).</p> <p>c) Considered the accuracy of management's estimates in previous years by comparing historical provisions to the actual amounts to assess the management ability to accurately estimate their sales returns and discounts.</p> <p>d) Tested the actual sales return and 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.</p> <p>e) Assessed the disclosures in respect of sales returns and discounts included in the financial statements.</p>



Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p>Measuring provisions for sales return and discounts is a key audit matter as it requires significant estimates made by Management. Such judgements include management's expectation of sales returns and discounts and historical estimates of sales returns and discounts vis a vis the sales returns and discounts received during the year.</p>	
<p>d) Deferred tax assets:</p> <p>As on 31 March 2021, the Company has recognized deferred tax assets (net) amounting to INR 284.25 million. 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.</p> <p>Management has recognized deferred tax asset on the unabsorbed losses basis the reasonable certainty that sufficient taxable profits, based on forecast of business operations, will be available with the Company in future. However, in view of the COVID 19 impact, the realization of deferred tax may take more time than the period estimated by management.</p> <p>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, it is considered as key audit matter.</p>	<p>Our audit procedures included, but were not limited to, the following procedures:</p> <ol style="list-style-type: none"> Obtained an understanding from the management with respect to process and controls followed by the Company to compute and assess realisability of deferred tax assets including design and implementation of controls. We have tested the design and operating effectiveness of these controls; Obtained the management's calculation for the computation of deferred taxes and performed re-computation to test arithmetical accuracy; Traced inputs used in the deferred tax calculation from source documents; Analyzed the future projections of the Company, as approved by the Board of Directors of the Company and assumptions used as to when it would be certain that Company would earn future taxable income; Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income Tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes; Assessed the sensitivity of the outcomes in the above scenario to reasonably possible changes in assumptions and evaluated the realisability of deferred tax asset as to when the Company would earn future taxable profits; Assessed the disclosures in respect of deferred tax included in the standalone financial statements.

Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

Information other than the Financial Statements and Auditor's Report thereon

8. 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 financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

9. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
13. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
 - The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

17. The standalone financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, S.R. Batliboi & Associates LLP, who have expressed a qualified opinion on those standalone financial statements vide their audit report dated 30 June 2020.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.



Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

19. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
20. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) except for the possible effects of the matter described in the Basis for Qualified Opinion section, 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) the matter described in paragraph 3 under the Basis for Qualified Opinion section, 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 section;
 - h) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 22 June 2021 as per Annexure B expressed modified opinion; and
 - i) 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, as detailed in note 46 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and



Walker Chandiok & Co LLP

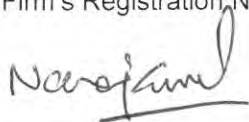
Independent Auditor's Report of even date to the members of S Chand And Company Limited on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Neeraj Goel

Partner

Membership No.: 099514

UDIN: 21099514AAAADM5890

Place: Gurugram

Date: 22 June 2021



Annexure A to the Independent Auditor's Report of even date to the members of S Chand And Company Limited, on the standalone financial statements for the year ended 31 March 2021

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment).
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head '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 every year. In our opinion, the frequency of verification is reasonable. The management had carried out physical verification of inventory as at 17 August 2020. No material discrepancies were noticed on such physical verification. However as explained in the note 51, the management could not perform physical verification of inventory as at 31 March 2021, therefore, we are unable to comment on discrepancies, if any, between physical and book records as at 31 March 2021.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular;
 - (c) there is no amount which is overdue for more than 90 days in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, 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) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute, are as follows:



Annexure A to the Independent Auditor's Report of even date to the members of S Chand And Company Limited, on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	3.34 million	-	AY 2013-14	ITAT	NA
		4.44 million	-	AY 2015-16	CIT (A)	NA
		4.93 million	-	AY 2017-18	CIT (A)	NA

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company has no loans or borrowings payable to the government and no dues payable to debenture holders during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(This space has been left blank intentionally.)



Walker Chandiok & Co LLP

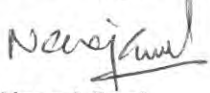
Annexure A to the Independent Auditor's Report of even date to the members of S Chand And Company Limited, on the standalone financial statements for the year ended 31 March 2021 (Cont'd)

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Neeraj Goel

Partner

Membership No.: 099514

UDIN: 21099514AAAADM5890

Place: Gurugram

Date: 22 June 2021



Annexure B

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of S Chand And Company Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding

Annexure B to the Independent Auditor's Report of even date to the members of S Chand and Company Limited, on the standalone financial statements for the year ended 31 March 2021 (Cont'd).

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 with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to 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

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2021:

a) The Company's internal financial control system with respect to physical verification of inventory at the balance sheet date, as explained in note 51 to the standalone financial statements, were not operating effectively, which could lead to a potential material misstatement in the carrying amount of inventory and its consequential impact on earnings, reserves and related disclosures in the accompanying standalone financial statements.

9. 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.
10. In our opinion, the Company has, in all material respects, adequate internal financial control with reference to financial statements as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, 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 with reference to financial statements were operating effectively as of 31 March 2021.

(This space has been left blank intentionally.)

Walker Chandiok & Co LLP

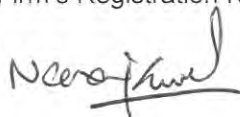
Annexure B to the Independent Auditor's Report of even date to the members of S Chand and Company Limited, on the standalone financial statements for the year ended 31 March 2021 (Cont'd).

11. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2021, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Neeraj Goel

Partner

Membership No.: 099514

UDIN: 21099514AAAADM5890

Place: Gurugram

Date: 22 June 2021



		(₹ in millions)	
	Notes	As at 31 March 2021	As at 31 March 2020 (refer note 49)
Assets			
Non-current assets			
Property, plant and equipment	3	121.84	134.80
Right-of-use assets	4B	198.22	238.88
Capital work-in-progress		1.18	0.69
Goodwill	4A	23.83	23.83
Other intangible assets	4A	123.95	142.95
Intangible assets under development		0.89	-
Financial assets			
- Investments	5A	6,121.54	6,020.84
- Loans	5G	137.86	339.69
- Other financial assets	5F	1.23	10.84
Deferred tax assets (net)	8	284.25	296.87
Other non-current assets	7	32.64	124.24
Total non-current assets		7,047.43	7,333.63
Current assets			
Inventories	6	451.34	663.13
Financial assets			
- Investments	5B	51.21	1.57
- Trade receivables	5C	1,354.09	1,506.74
- Cash and cash equivalents	5D	171.51	10.83
- Bank balances other than cash and cash equivalents	5E	31.18	2.91
- Loans	5G	316.76	144.95
- Other financial assets	5F	165.96	156.80
Other current assets	7	33.21	41.35
Total current assets		2,575.26	2,528.28
Total assets		9,622.69	9,861.91
Equity and liabilities			
Equity			
Equity share capital	9	174.88	174.88
Other equity	10	7,682.65	7,652.61
Total equity		7,857.53	7,827.49
Non-current liabilities			
Financial liabilities			
- Borrowings	11	388.57	453.48
- Lease liabilities	14B	63.06	85.96
Provisions	16	17.34	26.47
Total non-current liabilities		468.97	565.91
Current liabilities			
Financial liabilities			
- Borrowings	12	477.61	593.91
- Lease liabilities	14B	39.62	53.91
- Trade payables	13		
Micro enterprises and small enterprises		22.07	4.20
Other than micro enterprises and small enterprises		539.70	614.82
- Other financial liabilities	14A	170.36	152.56
Other current liabilities	15	45.45	48.00
Provisions	16	1.38	1.11
Total current liabilities		1,296.19	1,468.51
Total equity and liabilities		9,622.69	9,861.91
Summary of significant accounting policies	2		

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

As per our report of even date

For Walker Chandok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 099514

Place : Gurugram
Date : 22 June 2021



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

Himanshu Gupta *Dinesh Kumar Jhunjhnuwala* *Saurabh Mittal* *Jagdeep Singh*

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 : 22 June 2021
Place : New Delhi Date : 22 June 2021
Place : New Delhi Date : 22 June 2021
Place : New Delhi Date : 22 June 2021

			(₹ in millions)
	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I Revenue from operations	17	1,430.39	1,510.61
II Other income	18	216.20	156.32
III Total Income		<u>1,646.59</u>	<u>1,666.93</u>
IV Expenses			
Cost of published goods/material consumed	19	399.58	534.40
Purchase of stock-in-trade	20	63.18	26.95
(Increase)/ decrease in inventories of finished goods and stock-in-trade	21	143.97	113.56
Publication expense	22	168.36	191.36
Selling and distribution expense	23	91.58	186.48
Employee benefits expense	24	340.67	447.30
Finance costs	27	156.98	154.42
Depreciation and amortization expense	25	88.66	90.94
Other expenses	26	156.61	275.53
Total expenses		<u>1,609.59</u>	<u>2,020.94</u>
V Profit / (loss) before exceptional items and tax		<u>37.00</u>	<u>(354.01)</u>
Exceptional items	28	5.00	102.62
VI Profit / (loss) before tax		<u>32.00</u>	<u>(456.63)</u>
VII Tax expenses:			
Current tax	29	-	-
Deferred tax		9.76	(59.35)
Total tax expenses		<u>9.76</u>	<u>(59.35)</u>
VIII Profit / (loss) for the year		<u>22.24</u>	<u>(397.28)</u>
IX Other comprehensive income			
- Items that will not be reclassified to profit or loss		(9.80)	5.75
Re-measurement (gains)/losses on defined benefit plans		2.85	(1.67)
Income tax effect			
X Total comprehensive income for the year		<u>29.19</u>	<u>(401.36)</u>
XI Earnings per equity share:	30		
(1) Basic		0.64	(11.36)
(2) Diluted		0.64	(11.36)
Summary of significant accounting policies	2		

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

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 099514

Place : Gurugram
Date : 22 June 2021



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

Himanshu Gupta *Dinesh Kumar Jhunjhnuwala* *Saurabh Mittal* *Jagdeep Singh*
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 : 22 June 2021

Place : New Delhi
Date : 22 June 2021

Place : New Delhi
Date : 22 June 2021

Place : New Delhi
Date : 22 June 2021

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities	32.00	(456.63)
Profit/ (loss) before tax		
Adjustment to reconcile profit/ (loss) before tax to net cash flows		
Depreciation and amortization expense	88.66	90.94
Unrealised foreign exchange gain (net)	(3.69)	(1.30)
Net gain on sale of investments	(1.00)	(2.49)
Loss/ (gain) on sale of property, plant and equipment (net)	0.90	(0.84)
Provision for expected credit loss, advances and bad debts written-off	(8.09)	71.84
Finance costs	156.98	152.66
Interest income	(70.77)	(68.69)
Fair value gain on financial instruments at fair value through profit or loss	(1.14)	0.76
Interest income on securities measured at amortised cost	(0.80)	(1.99)
Provision for diminution in value of investments	5.00	70.00
Unwinding financial guarantee obligation	(1.88)	(2.26)
Provision for inventory	-	32.62
Rent concession and gain on de-recognition of lease liability	(2.69)	-
Amounts written-back	(2.07)	(9.45)
Interest income on financial liability	(5.73)	-
Reversal of financial liability	(30.00)	-
Employee stock option expense	0.85	0.67
Operating profit/ (loss) before working capital changes	156.53	(124.16)
Movements in working capital:		
Decrease in trade payables	(56.26)	(180.96)
Increase in other assets	(20.30)	(2.38)
Decrease in other liabilities	(29.62)	(55.84)
Increase in provisions	0.94	12.97
Decrease in inventories	211.79	102.97
Decrease in trade receivables	166.00	395.65
Decrease in loans and advances	4.97	35.07
Cash generated from operations	434.05	183.32
Direct taxes paid (net of refunds)	89.15	(21.92)
Net Cash generated/ (used) in operating activities	523.20	161.40
B. Cash flows from investing activities		
Purchase of property, plant & equipment including capital advances, capital creditors and capital work-in-progress	(16.79)	(89.62)
Purchase of non-current investments	-	(2.26)
Purchase of current investments	(95.05)	31.57
Proceeds from sale of current investments	47.55	2.49
Proceeds from sale of property, plant and equipment	3.88	12.66
Interest received	32.71	59.63
Repayments received of loan to related parties (net)	-	177.57
Loans given to related parties	(27.10)	(154.30)
Net cash flow (used in) / generated from investing activities	(54.80)	37.74
C. Cash flows from financing activities		
Interest paid on borrowings	(139.54)	(146.86)
Proceed from non-current borrowings	3.50	-
Repayment of non-current borrowings	(3.18)	(208.90)
Repayment of current borrowings (net)	(116.30)	(25.89)
Payment of lease liabilities	(52.20)	(44.65)
Net cash used in financing activities	(307.72)	(426.30)
Net increase/ (decrease) in cash and cash equivalents	160.68	(227.16)
Cash and cash equivalents at the beginning of the year	10.83	237.99
Cash and cash equivalents at the end of the year	171.51	10.83
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	51.77	7.62
- Cheques in hand	118.21	2.98
Cash in hand	1.53	0.23
Total cash and cash equivalents (note 5D)	171.51	10.83



(This space has been left blank intentionally)

11

Signature

Notes:

1. Reconciliation of liabilities arising from financing activities

Particulars	As at 31 March 2020	Cash flows	Non-cash changes	As at 31 March 2021
Long-term borrowings (including current maturities)	456.34	0.32	1.25	457.91
Short-term borrowings	593.91	(116.30)	-	477.61
Lease liabilities (refer note 33)	139.87	(52.20)	15.01	102.68
	1,190.12	(168.18)	16.26	1,038.20

Particulars	As at 31 March 2019	Cash flows	Non-cash changes	As at 31 March 2020
Long-term borrowings (including current maturities)	665.24	(208.90)	-	456.34
Short-term borrowings	619.80	(25.89)	-	593.91
Lease liabilities (refer note 33)	-	(44.65)	184.52	139.87
	1,285.04	(279.44)	184.52	1,190.12

Summary of significant accounting policies

2

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

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Goel
Neeraj Goel
Partner
Membership No.: 099514



Place : Gurugram
Date : 22 June 2021

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

Himanshu Gupta
Himanshu Gupta
Managing Director
DIN: 00054015

Place : New Delhi
Date : 22 June 2021

Dinesh Kumar Jhunjhnuwala
Dinesh Kumar Jhunjhnuwala
Whole-time director
DIN: 00282988

Place : New Delhi
Date : 22 June 2021

Saurabh Mittal
Saurabh Mittal
Chief Financial Officer

Place : New Delhi
Date : 22 June 2021

Jagdeep Singh
Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 22 June 2021

A. Equity share capital:

Issued, subscribed and fully paid up	No. of shares	₹ in millions
As at 31 March 2019	34,975,287	174.88
Issued during the year	-	-
As at 31 March 2020	34,975,287	174.88
Issued during the year	-	-
As at 31 March 2021	34,975,287	174.88

B. Other equity

(₹ in millions)

	Reserves and surplus			Other comprehensive income	Employee stock options outstanding	Total
	Capital reserve	Security premium	Retained earnings			
As at 31 March 2019	0.51	6,606.35	1,434.83	1.61	10.00	8,053.30
Loss for the year	-	-	(397.28)	-	-	(397.28)
Other comprehensive income for the year (net)	-	-	-	(4.08)	-	(4.08)
Share based payments/ charge during the year	-	-	-	-	0.67	0.67
As at 31 March 2020	0.51	6,606.35	1,037.55	(2.47)	10.67	7,652.61
Profit for the year	-	-	22.24	-	-	22.24
Other comprehensive income for the year (net)	-	-	-	6.95	-	6.95
Share based payments/ charge during the year	-	-	-	-	0.85	0.85
As at 31 March 2021	0.51	6,606.35	1,059.79	4.48	11.52	7,682.65

Summary of significant accounting policies

2

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

For Walker Chandok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/NS00013

Neeraj Goel
Partner
Membership No.: 099514



Place : Gurugram
Date : 22 June 2021

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

Himanshu Gupta
Managing Director
DIN: 00054015

Place : New Delhi
Date : 22 June 2021

Dinesh Kumar Jhunjhunwala
Whole-time director
DIN: 00282988

Place : New Delhi
Date : 22 June 2021

Saurabh Mittal
Chief Financial Officer

Place : New Delhi
Date : 22 June 2021

Jagdeep Singh
Company Secretary

Place : New Delhi
Date : 22 June 2021

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. 8 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 A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi - 110044. 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 (standalone financial statement) 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 "₹". All values are rounded to the nearest million, and two decimals thereof, except when otherwise indicated.

2.2 Current versus non-current classification

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


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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.



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

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

2.3 Foreign currencies

Functional and presentational currency

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

Transactions and balances

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

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

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

2.4 Fair value measurement

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

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

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

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

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

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

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

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

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



- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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

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

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

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

- i. Disclosures for significant estimates and assumptions (refer note 2.21)
- ii. Quantitative disclosures of fair value measurement hierarchy (note 38)
- iii. Investment in unquoted equity shares (note 5A and 5B)
- iv. Equity settled employee share based payment plan (note 35)

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.

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).

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.

[Handwritten signatures and initials]



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 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

✓ A M 11

options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and 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) are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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


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

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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



Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

2.7 Property, plant and equipment

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 and 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
Building	40 -60 years	30 years
Plant and equipment	15 -25 years	15 years
Furniture & fixture	10 years	10 years
Vehicles	10 years	8 years
Office equipment	5 years	5 years
Computer	6 years	3 years

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

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment, 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 and 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.

Handwritten signatures and initials in blue ink.

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 and 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 and 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 and loss when the asset is derecognised.

Research and development costs

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

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

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

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
Goodwill on business combination	Indefinite	No amortization	Acquired

✓ A N 11

Intangible assets	Useful lives	Amortization method used	Internally generated or acquired
Trademark	Finite (10 years)	Amortized on straight line basis over the period of useful lives	Acquired
Computer software	Finite (5 -10 years)	Amortized on straight line basis over the period of useful lives	Acquired
Copyrights	Finite (10 years)	Amortized on straight line basis over the period of copyright	Acquired
Content development	Finite (10 seasons)	Amortized on straight line basis over the period of content	Internally generated

2.9 Investment in subsidiaries and associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

2.10 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.

2.11 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.

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

9. 1. 2. 3.

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 plant 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 were not retrospectively adjusted.

2.12 Inventories

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

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

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

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

2.13 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.

✓ A M 11

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 and 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.

2.14 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

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)

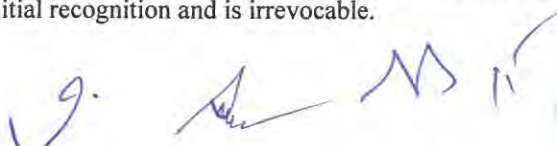
A "financial asset" is classified as at the FVTOCI if both of the following criteria are met:

- 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 statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity instruments at FVTOCI

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



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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

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
- Lease receivables under Ind-AS 116.
- Contract assets and trade receivables under Ind-AS 115.
- 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.

Handwritten signature and initials

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. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

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

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

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

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

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the statement of profit and loss. 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 and loss.

Loans and borrowings

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

Financial guarantee contracts

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

De-recognition

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

Handwritten signatures and a circular stamp are visible at the bottom right of the page.

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.

2.15 Employee benefits

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

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

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

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

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

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

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

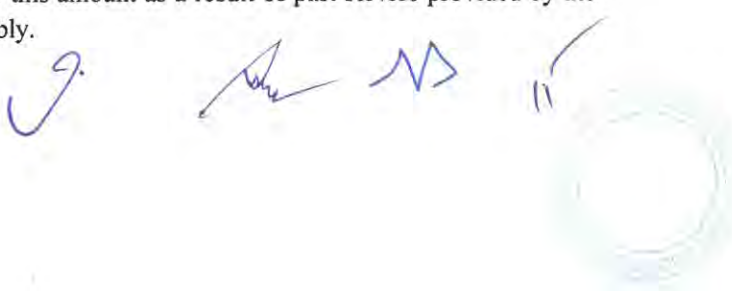
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Compensated absences

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.



2.16 Share based payments

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

Equity settled transactions

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

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

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

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

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

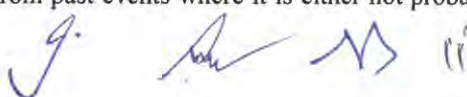
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.17 Provisions, contingent liabilities and contingent assets

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 and 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an



outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company, and requires interpretation of laws and past legal rulings.

Possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

2.18 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, 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.

2.19 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.

2.20 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.

2.21 Significant accounting judgements, estimates and assumptions

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

A. Judgement

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

i) 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).

ii) 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.

i) Deferred tax assets

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

(This space has been left blank intentionally.)

g.

A M 11



ii) 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 32.

iii) 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.

iv) Impairment of financial and non-financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

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.

v) 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.

vi) 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

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Managing Director assesses the financial performance and position of the Company, and makes strategic decision and has been identified as the chief operating decision maker. The Company's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Company operates in one reportable business segment i.e., publishing of books. The geographical information analyses the Company's revenue and trade receivables from such revenue in India and other countries. The Company primarily operates in India. Refer note 41 for segment reporting.

2.23 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Revenue grants are recognized over periods to which they relate.

9. 11

2.24 Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 01, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or noncurrent.
- The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.



(This space has been left blank intentionally)

3. Property, plant and equipment

Property, plant and equipment	(₹ in millions)								
	Land	Building	Plant & equipment	Furniture & fixtures	Vehicles**	Office equipment	Leasehold improvement	Computers	Total
Gross block									
As at 31 March 2019	98.72	13.99	15.44	19.36	62.64	16.63	11.23	16.08	254.09
Additions	-	42.55	12.36	0.21	-	5.41	1.20	0.32	62.05
Disposals / adjustments	(98.72)	-	(2.52)	(3.47)	(12.36)	(3.73)	(3.61)	(2.23)	(126.65)
As at 31 March 2020	-	56.54	25.28	16.10	50.28	18.31	8.82	14.17	189.50
Additions	-	-	0.64	0.08	4.25	0.31	-	0.36	5.64
Disposals / adjustments	-	-	(0.73)	(0.52)	(6.04)	(1.81)	(1.83)	(0.90)	(11.83)
As at 31 March 2021	-	56.54	25.19	15.66	48.49	16.81	6.99	13.63	183.31
Accumulated depreciation									
As at 31 March 2019	-	-	3.82	8.77	19.99	9.63	5.78	7.71	55.70
Charge for the year	-	0.93	1.15	1.56	4.84	2.65	2.01	1.96	15.10
Disposals	-	-	(0.95)	(2.14)	(5.40)	(2.66)	(3.20)	(1.75)	(16.10)
As at 31 March 2020	-	0.93	4.02	8.19	19.43	9.62	4.59	7.92	54.70
Charge for the year	-	1.92	1.50	1.17	4.24	2.49	1.05	1.46	13.83
Disposals	-	-	(0.17)	(0.37)	(3.15)	(1.41)	(1.33)	(0.63)	(7.06)
As at 31 March 2021	-	2.85	5.35	8.99	20.52	10.70	4.31	8.75	61.47
Net block									
As at 31 March 2020	-	55.61	21.26	7.91	30.85	8.69	4.23	6.25	134.80
As at 31 March 2021	-	53.69	19.84	6.67	27.97	6.11	2.68	4.88	121.84

**includes vehicles purchased through borrowings as at 31 March 2021 was ₹ 16.32 millions (31 March 2020: ₹ 15.42 millions). Additions during the year is ₹ 4.25 millions (31 March 2020: Nil). Vehicles are hypothecated as security for the related loan.

4A. Goodwill and other intangible assets

	(₹ in millions)					
	Goodwill	Trade mark	Computer software	Copy-right	Content development	Total
Gross block						
As at 31 March 2019	23.83	0.12	54.26	24.90	141.51	244.61
Addition	-	-	0.03	-	20.95	20.98
Disposals	-	-	-	-	-	-
As at 31 March 2020	23.83	0.12	54.29	24.90	162.46	265.59
Addition	-	-	1.22	1.68	6.86	9.76
Disposals	-	-	-	-	-	-
As at 31 March 2021	23.83	0.12	55.51	26.58	169.32	275.35
Accumulated amortisation						
As at 31 March 2019	-	0.01	29.41	11.65	21.35	62.40
Amortisation 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
Amortisation for the year	-	0.01	5.19	4.21	19.35	28.76
Disposals	-	-	-	-	-	-
As at 31 March 2021	-	0.03	40.57	20.08	66.91	127.57
Net block						
As at 31 March 2020	23.83	0.10	18.91	9.03	114.90	166.78
As at 31 March 2021	23.83	0.09	14.94	6.50	102.42	147.78

Impairment testing of goodwill

The Company performs test for goodwill impairment at least annually on 31 March 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.

During the year, test for goodwill impairment was performed at 31 March 2021 and no impairment indicators were noted and therefore, there has been no change in the carrying value of the goodwill. The management believes that any reasonable possible changes in the key assumptions used would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

Impairment of content development

During the year ended 31 March 2021, the impairment loss of ₹ 5.16 million included in ₹ 19.35 million (31 March 2020 ₹ 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.

(This space has been intentionally left blank)



Handwritten signatures and initials in blue ink.

4B. Right-of-use assets (ROU)

	(₹ in millions)			
	Leasehold land (RoU)*	Building (RoU)	Plant and equipment (RoU)	Total
Gross block				
As at 31 March 2019	-	-	-	-
Additions on transition to Ind AS 116	98.72	103.39	-	202.11
Additions	13.01	34.43	40.05	87.49
Adjustments	-	(6.76)	-	(6.76)
Disposals	-	(7.77)	-	(7.77)
As at 31 March 2020	111.73	123.29	40.05	275.07
Additions	-	11.55	-	11.55
Disposals	-	(13.01)	-	(13.01)
As at 31 March 2021	111.73	121.83	40.05	273.61
Accumulated amortisation				
As at 31 March 2019	-	-	-	-
Amortisation for the year	1.80	32.86	4.77	39.43
Disposals	-	(3.24)	-	(3.24)
As at 31 March 2020	1.80	29.62	4.77	36.19
Amortisation for the year	1.96	36.10	8.01	46.07
Disposals	-	(6.87)	-	(6.87)
As at 31 March 2021	3.76	58.85	12.78	75.39
Net block				
As at 31 March 2020	109.93	93.67	35.28	238.88
As at 31 March 2021	107.97	62.98	27.27	198.22

*Leasehold industrial property situated at 40/2A, Sahibabad Industrial Area - Site - IV, Sahibabad (U.P.) has been hypothecated with Indian Bank against a loan obtained by its wholly owned subsidiary Vikas Publishing House Private Limited. The loan is repayable in 120 equal monthly installments starting from April 2020.

(This space has been intentionally left blank)



Handwritten signatures and initials in blue ink.

5. Financial assets

5A. Non-current investments

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
i) Investment in unquoted equity shares, valued at cost		
Investment in subsidiaries		
149 (31 March 2020: 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 2020: 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 2020: 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 2020: 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 2020: 39,339) shares of ₹ 100 each fully paid up in M/s Vikas Publishing House Private Limited#	1,532.00	1,518.85
22,336 (31 March 2020: 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 2020: 17,686,750) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited#	142.78	142.78
103,102 (31 March 2020: 103,102) shares of ₹ 100 each fully paid up in M/s Chhaya Prakashani Limited	1,657.04	1,657.04
4,758,215 (31 March 2020: 3,995,250) shares of ₹ 10 each fully paid up in M/s S. Chand Edutech Private Limited*	67.04	39.95
Less : Impairment of investment in DS Digital Private Limited (refer note 47)	(55.00)	(50.00)
Less : Impairment of investment in Safari Digital Education Initiatives Private Limited (refer note 47)	(70.00)	(70.00)
	5,164.77	5,129.53
Investment in associate		
50 (31 March 2020: 50) share of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	0.52	0.52
	0.52	0.52
ii) Investment in unquoted preference shares, valued at cost		
Investment in subsidiaries		
16,000,000 (31 March 2020: 16,000,000) shares of ₹ 10 each fully paid up in M/s DS Digital Private Limited	160.00	160.00
5,570,007 (31 March 2020: Nil) 0.01% Non Cumulative, Non-Participating, Compulsorily Convertible Preference Shares of ₹ 10 each fully paid up in M/s New Saraswati House (India) Private Limited**	55.70	-
	215.70	160.00
Investment in associate		
5,414 (31 March 2020: 5,414) 0.001% compulsorily convertible cumulative preference shares of ₹ 10 each fully paid up in M/s Smartivity Labs Private Limited	21.10	21.10
	21.10	21.10
iii) Investments in unquoted debentures, valued at fair value through profit and loss		
Investment in subsidiary		
6,916 (31 March 2020: 6,916) 2% optionally convertible redeemable debentures of ₹ 100,000 each fully paid up in Eurasia Publishing House Private Limited#	719.45	709.69
	719.45	709.69
Total	6,121.54	6,020.84
Aggregate value of unquoted investments	6,121.54	6,020.84
Aggregate value of impairment in value of investments	125.00	120.00

* During the year, the Company has converted the optionally convertible unsecured loan granted to S. Chand Edutech Private Limited vide agreement dated 17 November 2017 into 762,965 equity shares of ₹ 10 each fully paid up in M/s S. Chand Edutech Private Limited at a premium of ₹ 25.50 each.

** During the year, the Company has converted the optionally convertible unsecured loan granted to New Saraswati House (India) Private Limited vide agreement dated 8 August 2019 into 5,570,007 0.01% non-cumulative, non-participating, compulsorily convertible preference shares of ₹ 10 each.

#Investment in equity shares in subsidiaries include deemed investments of ₹ 41.43 millions (31 March 2020: ₹ 28.27 millions) due to ESOP granted to employees of subsidiary companies and corporate guarantee given by Holding Company on behalf of subsidiary companies. Investment in debentures of Eurasia Publishing House Private Limited includes total deemed investment of ₹ 27.85 (31 March 2020: 18.10 millions).

[Handwritten signatures and initials]



5B. Current investments

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Investment at fair value through profit and loss		
Investment in equity shares (unquoted)		
15,880 (31 March 2020: 15,880) shares of ₹ 10 each fully paid up in M/s Sistema Smart Technologies Limited*	-	-
Investment valued at fair value through profit and loss		
Investment in equity instruments (quoted)		
1,000 (31 March 2020: 1,000) shares of ₹ 10 each fully paid up in M/s Freshtop Fruits Limited	0.08	0.04
42,564 (31 March 2020: 42,564) shares of ₹ 10 each fully paid up in M/s Mahaan Foods Limited	0.72	0.49
10,457 (31 March 2020: 10,457) shares of ₹ 1 each fully paid up in M/s Pentamedia Graphics Limited	0.00	0.00
2,000 (31 March 2020: 2,000) shares of ₹ 10 each fully paid up in M/s Vardhman Concrete Limited*	-	-
100 (31 March 2020: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited	0.02	0.01
100 (31 March 2020: 100) shares of ₹ 10 each fully paid up in M/s Zee Entertainment Enterprises Limited (Bonus shares)	0.02	0.01
	0.84	0.55
Investment valued at fair value through profit and loss		
Investment in mutual funds (quoted)		
98,657 (31 March 2020: 94,511) units in Principal Monthly Income Plan - Dividend Reinvestment	1.34	1.02
1,089,348 (31 March 2020: Nil) units in HDFC Liquid Fund - Regular Plan Growth option	49.03	-
	50.37	1.02
Total	51.21	1.57
Aggregate book value of quoted investments	50.07	2.33
Aggregate market value of quoted investments	51.21	1.57
Aggregate value of impairment in value of investments	-	-

* amounts written off in earlier years.

5C. Trade receivables

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	1,354.09	1,506.74
Receivable which have significant increase in credit risk	184.62	230.06
Receivable credit impaired	-	-
	1,538.71	1,736.80
Less: Allowance for expected credit loss		
Secured, considered good	-	-
Unsecured, considered good	-	-
Receivable which have significant increase in credit risk	(184.62)	(230.06)
Receivable credit impaired	-	-
	(184.62)	(230.06)
Secured, considered good	-	-
Unsecured, considered good	1,354.09	1,506.74
Receivable which have significant increase in credit risk	-	-
Receivable credit impaired	-	-
	1,354.09	1,506.74
Trade receivables from related parties (refer note 34)	66.32	92.67

The movement in impairment of trade receivables as follow:

	As at 31 March 2021	As at 31 March 2020
Opening balance	230.06	184.14
Additions/ (write-back) (net)	(9.67)	68.13
Write off (net of recovery) (refer note 26)	(35.77)	(22.21)
Closing balance	184.62	230.06

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

[Handwritten signatures]



5D. Cash and cash equivalents

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Balances with banks:		
-On current accounts	51.77	7.62
-Cheques on hand	118.21	2.98
Cash on hand	1.53	0.23
Total	171.51	10.83

5E. Bank balances other than cash and cash equivalents

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Deposits with original maturity more than 3 months and less than 12 months	31.18	2.91
Total	31.18	2.91

5F. Other financial assets

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Non-current:		
Deposits with original maturity for more than 12 months	0.72	8.80
Interest accrued but not due on fixed deposits (on long term deposits)	0.40	1.93
Margin money**	0.11	0.11
	1.23	10.84
Current:		
Interest accrued but not due on fixed deposits (on short term deposits)	0.56	0.56
Restricted cash*	0.09	0.09
Receivables from related parties (refer note 34)#	160.96	152.44
Other receivables	4.35	3.71
	165.96	156.80
Total	167.19	167.64
Non-current	1.23	10.84
Current	165.96	156.80

*Restricted cash represent earmarked balance for unclaimed dividend payouts.

**Margin money deposit with a carrying amount of ₹0.11 million (31 March 2020: ₹ 0.11) has been deposited with sales tax department.

Receivables from related parties pertains to receivables from group companies for management cross charges, reimbursements and other recoveries.

5G. Loans

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Non-current:		
Loans to related parties (refer note 34 and 44)	127.55	329.35
Security deposits	10.31	10.34
	137.86	339.69
Current:		
Loans to related parties (refer note 34 and 44)	312.94	136.99
Security deposits	3.82	7.96
	316.76	144.95
Total loans	454.62	484.64
Considered good, unsecured	454.62	484.64
Recoverable which have significant increase in credit risk	-	-
	454.62	484.64
Non-current	137.86	339.69
Current	316.76	144.95

J.

(1)



6. Inventories	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Raw materials (at cost)	35.73	103.55
Finished goods (at lower of cost and net realisable value)	397.54	556.40
Finished goods-traded goods (at lower of cost and net realisable value)	18.07	3.18
Total*	451.34	663.13

*Inventories have been reduced by ₹ 60.27 millions (31 March 2019: ₹ 32.62 millions) as a result of write-down to net realisable value.

7 Other assets	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Non-current		
Prepaid expenses	4.87	5.46
Unsecured, considered good	1.62	3.48
Tax receivable (net of provision)	26.15	115.30
	32.64	124.24
Current		
Advances to vendors	4.26	3.87
Advances to employee	7.57	14.09
Prepaid expenses	13.84	16.53
Others	7.54	6.86
	33.21	41.35
Total	65.85	165.59
Non-current	32.64	124.24
Current	33.21	41.35



(This space has been intentionally left blank)

9.

[Signature]

[Signature]

8 Deferred taxes

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Items leading to creation of deferred tax assets		
Impact of non deductible expenses	5.67	11.11
Provision for doubtful debt & advances	55.80	66.99
Impact of fair value gain on current Investment	-	0.21
Impact of right of use assets and lease liabilities	3.62	3.19
Impact of provision for inventory	17.55	9.50
Impact of business loss to carry forward in next years	212.15	217.07
Total deferred tax assets	294.79	308.07
Items leading to creation of deferred tax liabilities		
Property, plant and equipment: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	10.20	11.20
Impact of fair value gain on current investment	0.34	-
Total deferred tax liabilities	10.54	11.20
Net deferred tax assets	284.25	296.87

Note:

Movement of deferred tax assets tax assets/ liabilities presented in balance sheet

	As at 31 March 2020	Recognised in		As at 31 March 2021
		Profit and loss	OCI	
Items leading to creation of deferred tax assets				
Impact of non deductible expenses	11.11	(2.59)	(2.85)	5.67
Provision for doubtful debt & advances	66.99	(11.19)	-	55.80
Impact of fair value gain on current Investment	0.21	(0.21)	-	-
Impact of right of use assets and lease liabilities	3.19	0.43	-	3.62
Impact of provision for inventory	9.50	8.05	-	17.55
Impact of business loss to carry forward in next years	217.07	(4.92)	-	212.15
Total deferred tax assets	308.07	(10.43)	(2.85)	294.79
Items leading to creation of deferred tax liabilities				
Property, plant and equipment: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	11.20	(1.00)	-	10.20
Impact of fair value gain on current investment	-	0.34	-	0.34
Total deferred tax liabilities	11.20	(0.66)	-	10.54
Net deferred tax assets	296.87	(9.76)	(2.85)	284.25

	As at 31 March 2019	Recognised in		As at 31 March 2020
		Profit and loss	OCI	
Items leading to creation of deferred tax assets				
Impact of non deductible expenses	7.84	1.60	1.67	11.11
Provision for doubtful debt & advances	65.59	1.40	-	66.99
Provision for diminution in value of investment	17.47	(17.47)	-	-
Impact of fair value gain on current Investment	-	0.21	-	0.21
Impact of right of use assets and lease liabilities	-	3.19	-	3.19
Impact of provision for inventory	-	9.50	-	9.50
Impact of business loss to carry forward in next years	158.60	58.47	-	217.07
Total deferred tax assets	249.50	56.90	1.67	308.07
Items leading to creation of deferred tax liabilities				
Property, plant and equipment: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	13.51	(2.31)	-	11.20
Others	0.14	(0.14)	-	-
Total deferred tax liabilities	13.65	(2.45)	-	11.20
Net deferred tax assets	235.85	59.35	1.67	296.87

Note- Refer note 29 for effective tax reconciliation.

✓ 9. 11

9. Equity share capital

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Authorised		
40,000,000 (31 March 2020: 40,000,000) equity shares of ₹ 5/- each	200.00	200.00
Issued, subscribed and fully paid equity capital		
34,975,287 (31 March 2020: 34,975,287) equity shares of ₹ 5/- each	174.88	174.88
	<u>174.88</u>	<u>174.88</u>

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

	No. of shares	₹ in millions
Authorised share capital		
As at 31 March 2019	40,000,000	200.00
Increase/(decrease) during the year	-	-
As at 31 March 2020	40,000,000	200.00
Increase/(decrease) during the year	-	-
As at 31 March 2021	<u>40,000,000</u>	<u>200.00</u>

	No. of shares	₹ in millions
Issued equity capital		
Equity share of ₹ 5/- each issued, subscribed and fully paid (31 March 2020: Equity share of ₹ 5 each)		
As at 31 March 2019	34,975,287	174.88
Issued during the year	-	-
As at 31 March 2020	34,975,287	174.88
Issued during the year	-	-
As at 31 March 2021	<u>34,975,287</u>	<u>174.88</u>

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 2020: ₹ 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. The Company has not issued any share pursuant to a contract without payment being received in cash in the current year and preceding five years. The Company has not issued any bonus shares nor has there been any buy-back of shares in the current year and preceding five years.

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

	As at 31 March 2021		As at 31 March 2020	
	No. of shares	% of holding	No. of shares	% of holding
Mr. Himanshu Gupta	5,994,038	17.14%	5,961,238	17.04%
Mrs. Neerja Jhunjhnuwala	4,008,345	11.46%	4,008,345	11.46%
Mr. Dinesh Kumar Jhunjhnuwala	3,846,854	11.00%	3,846,854	10.99%
International Finance Corporation	2,805,784	8.02%	2,805,784	8.02%
Everstone Capital Partners II LLC	-	-	3,323,229	9.50%

e. 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 35

(This space has been intentionally left blank)



Handwritten signatures and initials are present in the bottom right area of the page.

10. Other equity

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
a. Capital reserve		
Balance as the beginning of reporting year	0.51	0.51
Balance as the end of reporting year	<u>0.51</u>	<u>0.51</u>
b. Securities premium		
Balance as the beginning of reporting year	6,606.35	6,606.35
Balance as the end of reporting year	<u>6,606.35</u>	<u>6,606.35</u>
c. Employee stock options outstanding		
Balance as the beginning of reporting year	10.67	10.00
Add: compensation option granted during the year- charge for the year (refer note 35)	0.85	0.67
Balance as the end of reporting year	<u>11.52</u>	<u>10.67</u>
d. Retained earnings		
Balance as the beginning of reporting year	1,037.55	1,434.83
Add: Profit/(loss) for the year	22.24	(397.28)
Balance as the end of reporting year	<u>1,059.79</u>	<u>1,037.55</u>
e. Other comprehensive Income		
Balance as the beginning of reporting year	(2.47)	1.61
Add: Other comprehensive income for the year (net)	6.95	(4.08)
Balance as the end of reporting year	<u>4.48</u>	<u>(2.47)</u>
Total	<u>7,682.65</u>	<u>7,652.61</u>

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 comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

Employee stock options outstanding

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 and subsequent to that various grants were issued. The reserve has been created for the various ESOP grants issued by the Company thereafter.

Retained earnings

Retained earnings refer to the net profit/(loss) retained by the Company for its core business activities.

Other comprehensive income

Other comprehensive income comprise of re-measurement of defined benefit liability.

(This space has been intentionally left blank)



g.

Handwritten signatures and initials.

11. Non-current borrowings

(₹ in millions)

	As at 31 March 2021	As at 31 March 2020
Term loans		
Indian rupee loan from financial institutions (refer note a and d)	446.83	445.58
Vehicle loans		
Indian rupee loan from bank (refer note b)	6.85	5.48
Indian rupee loan from financial institutions (refer note c)	4.23	5.28
	457.91	456.34
Less: Current maturity of long term loans		
Term loans		
Indian rupee loan from financial institutions (refer note a)	66.67	-
Vehicle loans		
Indian rupee loan from bank (refer note b)	1.56	1.81
Indian rupee loan from financial institutions (refer note c)	1.11	1.05
	69.34	2.86
Total	388.57	453.48
Secured	388.57	453.48
Unsecured	-	-

	Nature of Security	Terms of repayment
a. Term loan		
	Term loan from Axis Finance Limited had been obtained during the year ended 31 March 2019. The facility had 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 S Chand And Company Limited; (iii) PDCs for the interest and principal amount. Pursuant to breach of loan covenants during the year ended 31 March 2019, the terms of loan agreement were modified, which resulted into increase of rate of interest to 13% effective 6 June 2019. The Company had prepaid ₹ 200 millions during the year ended 31 March 2020 and the next instalment is due on 31 August 2021.	Repayable in 78 equal monthly installments of ₹ 8.33 millions beginning from August 2019. Rate of interest at 11.00% to 13 % p.a.
	Vehicle loans from bank/financial institutions	
b. Vehicle loan from banks		
	Vehicle loans have been obtained from HDFC Bank, ICICI Bank, and Yes Bank and the same are secured by hypothecation of respective vehicles. The vehicle loan from HDFC Bank has been repaid during the year.	Repayable in 36 to 60 equal monthly installment of ₹ 0.01 to ₹ 0.07 millions. Rate of interest at 8.25% to 12.00%
c. Vehicle loans from financial institutions		
	Vehicle loans have been obtained from Daimler Financial Services India Private Limited is secured by hypothecation of respective vehicle.	The loan is repayable in 48 equal monthly instalment of ₹ 0.13 millions. Rate of interest at 9.81% to 11.00%

Loan covenants

- d. 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 the current financial year, there has been no covenant breach. During the previous year, there was one instance of breach of financial covenant in case of term loan facility availed from Axis Finance Limited. As per the terms of the sanction letter, the management intimated to the bank as per agreement terms.

(This space has been intentionally left blank)



Handwritten signatures and initials are present in the bottom right area of the page.

12. Current borrowings

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
a. Cash credit from banks (secured) (refer note c)	427.61	323.91
b. Indian rupee working capital demand loan from banks (secured) (refer note a)	-	220.00
c. Indian rupee working capital demand loan from banks (unsecured) (refer b)	50.00	50.00
Total current borrowings	477.61	593.91
Secured	427.61	543.91
Unsecured	50.00	50.00

Note :-

- Working capital demand loan from HDFC Bank, Standard Chartered Bank, Kotak Mahindra Bank and DBS Bank has been secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company (excluding assets which are specifically charged to other lenders) and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company. Working capital demand loan from HDFC Bank is also secured by corporate guarantee of Nirja Publishers & Printers Private Limited. These loans carry interest rate of 9.20 % to 10.70% p.a. (31 March 2020: 8.95 % to 13.13 % p.a.).
- 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 2020: 10.50% p.a). This loan is unsecured.
- Cash credit from IndusInd Bank Limited, Kotak Mahindra Bank, Standard Chartered Bank, DBS Bank and HDFC Bank are secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company (excluding assets which are specifically charged to other lenders) and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, Directors of the Company. Cash credit from HDFC Bank is also secured by corporate guarantee of Nirja Publishers & Printers Private Limited. These loans carry interest rate of 8.30% to 16.00% p.a. (31 March 2020: 9.00% to 15% p.a.). Cash credit from IndusInd Bank has been repaid during the year.

Loan covenants:

- 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 31 March 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.



(This space has been intentionally left blank)

Handwritten signatures and initials in blue ink, including a large 'g' and several other scribbles.

13. Trade payables

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Trade payables of micro enterprises and small enterprises (refer note 42)	22.07	4.20
Trade payables of related entities (refer note 34)	151.07	100.34
Trade payables other than micro enterprises and small enterprises	388.63	514.48
	<u>561.77</u>	<u>619.02</u>

14A. Other financial liabilities

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Current maturity of long term loans (refer note 11)	69.34	2.86
Interest accrued but not due	0.51	0.70
Employee related liabilities	28.10	29.28
Security deposits received	0.92	2.87
Financial liability*	43.36	100.00
Financial guarantee obligation	28.04	16.76
Others	0.09	0.09
	<u>170.36</u>	<u>152.56</u>
Current	170.36	152.56
Non current	-	-

*In current year financial liability represents an amount of ₹ 43.36 million (31 March 2020, ₹ 100.00 million) for bank guarantee invoked due to breach of conditions by selling share holders of New Saraswati House (India) Pvt. Ltd. relating to non-compete clause.

14B. Lease liabilities

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Lease liability - non-current (refer note 33)	63.06	85.96
Lease liability - current (refer note 33)	39.62	53.91
Total	<u>102.68</u>	<u>139.87</u>

15. Other liabilities

	As at 31 March 2021	As at 31 March 2020
Advance from customers	11.95	13.67
Statutory dues payable	33.50	34.33
Total	<u>45.45</u>	<u>48.00</u>

✓

11

16. Provisions

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Non-current		
Provision for gratuity (refer note 32)	13.59	25.16
Provision for compensated absence	3.75	1.31
	<u>17.34</u>	<u>26.47</u>
Current		
Provision for compensated absence	1.38	1.11
	<u>1.38</u>	<u>1.11</u>
Total	<u>18.72</u>	<u>27.58</u>
 Non current	 17.34	 26.47
Current	1.38	1.11



(This space has been intentionally left blank)

Handwritten signatures and initials in blue ink.

17. Revenue from operations

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products		
Finished goods (net of returns)	1,675.70	1,886.13
Traded goods (net of returns)	64.02	46.78
Less: Discount	(341.72)	(451.27)
Sale of services		
Job work	27.22	23.16
Other operating revenue		
Scrap sale	5.17	5.81
Total	1,430.39	1,510.61
India	1,426.98	1,494.24
Outside India	3.41	16.37
Total	1,430.39	1,510.61
Timing of revenue recognition		
Goods transferred at a point in time	1,430.39	1,510.61
Services transferred over time	-	-
Total	1,430.39	1,510.61

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

Contract balances

	As at 31 March 2021	As at 31 March 2020
Trade receivables	1,354.09	1,506.74
Contract liabilities	11.95	13.67

Trade receivables are non-interest bearing and are generally on terms of 150 days.

Right to return asset and refund liability

	As at 31 March 2021	As at 31 March 2020
Refund liabilities		
Arising from discounts	142.70	139.38
Arising from rights of return	297.55	268.90
	440.25	408.28

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue as per contracted price	2,384.24	2,463.32
Adjustments		
Sales return	(612.13)	(501.44)
Discount	(341.72)	(451.27)
	1,430.39	1,510.61

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.

✓

18. Other incomes

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income on:		
- Bank deposits	1.37	0.78
- Income tax refund	5.27	1.31
-Interest income from related parties	69.40	67.91
Foreign exchange fluctuation gain (net)	-	1.30
Reversal of financial liability	30.00	-
Management cross charge (refer note 31)	47.27	68.32
Reversal of allowance for doubtful debts	45.44	-
Others	17.45	16.70
	216.20	156.32



(This space has been intentionally left blank)

Handwritten signatures and initials in blue ink, including a large 'g' and several other scribbles, located to the right of the text.

19 Cost of published goods/material consumed

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventory at the beginning of the year	103.55	92.95
Add: Purchases	331.76	545.00
	435.31	637.95
Less: Inventory at the end of the year	35.73	103.55
Cost of published goods/material consumed	399.58	534.40
Details of raw material purchased		
Paper	175.15	317.50
Printing charges	135.81	191.98
Consumables	20.80	22.31
Others	-	13.20
Total	331.76	545.00
Details of inventories		
Paper	30.22	95.35
Others	5.51	8.20
Total	35.73	103.55

20. Purchase of stock-in-trade

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Purchase of stock-in-trade	63.18	26.95
Total	63.18	26.95

21. (Increase)/ decrease in inventories of finished goods and stock-in-trade

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventory at the end of the year		
Finished goods	415.61	559.58
Inventory at the beginning of the year		
Finished goods	(559.58)	(705.76)
Less: Provision for inventory, considered as exceptional item (refer note 28)	-	32.62
Changes in inventories	(143.97)	(113.56)
Details of inventory at the end of the year		
Finished goods		
Manufactured goods		
Books	397.54	556.40
Traded goods		
Books	18.07	3.18
	415.61	559.58

22. Publication expense

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Royalty	139.24	163.48
Factory manpower expenses	11.40	2.87
Other publication expenses	17.72	25.01
Total	168.36	191.36

g. A M



23. Selling and distribution expense

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Advertisement, publicity and exhibition	19.39	70.08
Freight and cartage outward	45.79	59.92
Travelling and conveyance	16.55	38.72
Vehicle running and maintenance	3.25	8.21
Packing and dispatch expenses	6.60	9.55
Total	91.58	186.48

24. Employee benefits expense

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, bonus and allowances	295.62	394.90
Contribution to provident and other funds (refer note 32)	30.68	36.60
Employee stock option expenses	0.85	0.67
Staff welfare expenses	13.52	15.13
Total	340.67	447.30

25. Depreciation and amortization expense

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on property, plant and equipment (refer note 3)	13.83	15.10
Amortisation on intangible assets (refer note 4a)	28.76	36.41
Amortisation on right-of-use assets (refer note 4b)	46.07	39.43
Total	88.66	90.94



(This space has been intentionally left blank)

Handwritten signatures and initials in blue ink are present on the right side of the page.

26. Other expenses

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent	13.21	50.60
Repairs and maintenance		
- Plant and equipment	0.39	1.35
- Building	0.05	0.06
- Others	11.60	14.84
Insurance	6.91	3.92
Rates and taxes	6.92	6.51
Communication cost	5.62	7.95
Legal and professional fee	17.26	28.74
Donations	2.88	2.60
Payment to auditor (refer details below)	5.56	6.93
Water and electricity charges	5.98	8.92
Bad debt written off	35.77	22.21
Provision for doubtful receivables	-	45.92
Provision for advances	1.57	2.07
Outsourced employee cost	21.43	40.81
Loss on sale of property, plant and equipment (net)	0.90	-
Office expenses	2.50	3.78
Security charges	7.76	8.98
Corporate social responsibility expenses (refer note 40)	4.15	8.31
Director sitting fees	2.01	1.83
Fair value loss on financial instruments at fair value through profit or loss	-	0.76
Foreign exchange fluctuation gain (net)	0.41	-
Miscellaneous expenses	3.73	8.44
Total other expenses	156.61	275.53

Payment to auditors:

	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
- Audit fee	3.50	3.80
- Limited review*	1.90	2.70
In other capacity		
- Others*	0.16	0.43
Total	5.56	6.93

* includes paid to predecessor auditor

27. Finance cost

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense		
- On borrowings	124.95	125.27
- On lease liability	12.62	12.13
- On other liabilities	14.89	13.76
Loan processing fee	4.52	3.26
Total	156.98	154.42

28 Exceptional items

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Exceptional items		
Provision for impairment on investment (refer note 47)	5.00	70.00
Provision for inventory	-	32.62
Total	5.00	102.62

[Handwritten signatures and initials]

29. Income tax

Tax expense recognised in Statement of Profit and Loss	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	9.76	(59.35)
	<u>9.76</u>	<u>(59.35)</u>
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:		
	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit before tax	32.00	(456.63)
Tax at India's statutory income tax rate of 29.12% (31 March 2020: 29.12%)	9.32	(132.97)
Tax impact of non-deductible expenses	1.32	(2.06)
Rate change impact	-	39.31
Other adjustments	(0.88)	36.37
Income tax expense reported in the statement of profit and loss	<u>9.76</u>	<u>(59.35)</u>
At the effective income tax rate of 30.51% (31 March 2020: 13%)	9.76	(59.35)

30. Earnings per share

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

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

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

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit/ loss attributable to equity holders of the Company	22.24	(397.28)
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)	35.00	34.98
Basic EPS	0.64	(11.36)
Diluted DPS	0.64	(11.36)

(This space has been left intentionally)

31. The Company renders various administrative and management services to its subsidiaries companies to facilitate its day to day operations. Accordingly, the Company has charged ₹ 47.27 million (31 March 2020 ₹ 68.32 million) towards such services rendered during the year ended 31 March 2021.

32. Employee benefits

a. Defined contribution plan

An amount of ₹ 20.21 million [31 March 2020 : ₹ 25.87 million] for the year has been recognised as an expense in respect of the Company's contributions towards Provident Fund, an amount of ₹ 0.79 million [31 March 2020 : ₹ 0.95 million] for the year has been recognised as an expense in respect of Company's contributions towards Employee State Insurance and an amount of ₹ 1.08 million [31 March 2020 : ₹ 1.57 million] for the year has been recognised as an expense in respect of the Company's contributions towards National Pension Scheme, which are deposited with the government authorities and have been included under employee benefit expenses in the Statement of Profit and Loss.

b. Gratuity

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 ₹ 2.00 million. The scheme is funded with an insurance company in the form of qualifying insurance policy.

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

Statement of profit & loss account

Net employee benefit expense recognised in employee cost:

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	7.06	7.31
Interest cost on defined obligation	3.27	3.55
Expected return on plan assets	(1.72)	(2.65)
	<u>8.61</u>	<u>8.21</u>

Amount recognised in Other Comprehensive Income:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Actuarial (gains) / losses on obligation	(4.61)	1.90
Actuarial gains / (losses) on assets	5.19	(3.85)
	<u>(9.80)</u>	<u>5.75</u>

Balance sheet

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening defined benefit obligation	50.54	46.66
Current service cost	7.06	7.31
Interest cost	3.27	3.55
Benefits paid from plan assets	(7.00)	(10.97)
Acquisition / Divestiture	-	2.09
Benefits paid directly by employer	(0.14)	-
Actuarial (gains) / losses on obligation	(4.61)	1.90
Closing defined benefit obligation	<u>49.12</u>	<u>50.54</u>
Non - Current	49.12	50.54
Current	-	-

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening fair value of plan assets	25.38	34.47
Expected return	1.72	2.65
Contributions by employer	10.22	3.08
Benefits paid	(7.00)	(10.97)
Actuarial gain/(loss)	5.19	(3.85)
Closing fair value of plan assets	<u>35.51</u>	<u>25.38</u>

Provision for gratuity (net of plan assets)

Non-current	13.59	25.16
Current	-	-

The expected contribution to the defined benefit plan in future years ₹ 3.16 millions (31 March 2020: ₹ 4.39 millions)

✓ 11

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 2021	For the year ended 31 March 2020
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 2021	For the year ended 31 March 2020
Discount rate	6.92%	6.77%
Expected rate of return on assets	6.92%	6.77%
Expected rate of salary increase	6.00%	6.00%
Retirement age (in years)	60 years	60 years
Employee turnover :-		
- For Service upto 5 years	5.00%	5.00%
- For Service more than 5 years	1.00%	1.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

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

The 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 2021	For the year ended 31 March 2020
Discount rate	+ 1%	44.27	45.32
	- 1%	54.77	56.73
Expected rate of salary increase	+ 1%	54.35	56.40
	- 1%	44.47	45.52

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.

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Year 1	3.16	4.39
Year 2	4.05	1.31
Year 3	4.13	3.96
Year 4	2.83	2.45
Year 5	1.17	3.31
Year 6 to 10	16.75	16.68
Above 10 years	89.20	96.23

c. Other long-term employee benefits

An amount of ₹ 2.68 millions [31 March 2020 : ₹ 1.85 millions] pertains to expense towards compensated absences and included in "employee benefit expense".

(This space has been left blank intentionally)

33 Leases

The Company has adopted Ind AS 116 "Leases" from 01 April 2019, which resulted in changes in accounting policies in the standalone financial statements.

Transition

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 (alternative I) 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 1 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 2021:

	(₹ in millions)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of reporting year	238.88	-
Additions on transition to Ind AS 116 (note 4B)	-	202.11
Additions (note 4B)	11.55	87.49
Adjustments (note 4B)	-	(6.76)
Deletions	(6.14)	(4.53)
Depreciation expense (note 25)	(46.07)	(39.43)
Balance at the end of reporting year	198.22	238.88

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 2021	For the year ended 31 March 2020
Balance as at the beginning of reporting year	139.87	0.00
Additions on transition to Ind AS 116 (note 4B)	-	103.39
Additions	11.55	74.48
Accretion of interest	12.62	12.13
Deletion during the year	(6.47)	(5.49)
Lease rent concession*	(2.69)	-
Payments	(52.20)	(44.64)
Balance as at the end of reporting year	102.68	139.87
Non-current	63.06	85.96
Current	39.62	53.91

*During the year ended 31 March 2021, the Company has received lease rent concession of ₹ 2.69 millions and the same has been recorded under the head other income in the Statement of Profit and Loss by using the practical expedient available as per para 46A of IND AS 116.

Contractual maturities of lease liabilities

	For the year ended 31 March 2021	For the year ended 31 March 2020
- Within one year	39.62	53.91
- 1-5 years	54.20	66.90
- More than 5 years	8.86	19.06
	102.68	139.87

The following are the amounts recognised in Statement of Profit or Loss:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation expense of right-of-use assets	46.07	39.43
Interest expense on lease liabilities	12.62	12.13
Expense relating to other than long-term leases (included in other expenses)	13.21	50.60
Total amount recognised in Statement of Profit or Loss	71.90	102.16

The Company has several lease contracts for offices and plant and equipment 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.

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

(Handwritten signatures and initials)

34. 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 Limited
Indian Progressive Publishing Co. Private Limited
Edutor Technologies India Private Limited (with effect from 31 August 2020)

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

Smartivity Labs Private Limited
Edutor Technologies India Private Limited (upto 31 August 2020)

Key Management Personnel (KMP) & their relatives

Ms. Savita Gupta
Mr. Himanshu Gupta
Mr. Dinesh Kumar Jhunjhnuwala
Mr. Gaurav Jhunjhnuwala
Mr. Desh Raj Dogra
Ms. Archana Capoor
Mr. Sanjay Vijay Bhandarkar
Mr. Rajagopalan Chandrashekar
Mr. Saurabh Mittal
Mr. Jagdeep Singh

Non-Executive Director
Managing Director
Whole-time Director
Non-Executive Director
Non-Executive, Independent Director
Non-Executive, Independent Director
Non-Executive, Independent Director
Non-Executive, Independent Director
Chief Financial Officer
Company Secretary

Relatives of KMP

Mr. Ravindra Kumar Gupta (father of Mr. Himanshu Gupta)
Mrs. Neerja Jhunjhnuwala (wife of Mr. Dinesh Kumar Jhunjhnuwala)

(This space has been left blank intentionally)



(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Revenue from operations					
Sale of trading products					
BPI (India) Private Limited (books)	31 March 2021	0.62	-	-	0.62
	31 March 2020	(0.43)	-	-	(0.43)
DS Digital Private Limited (E books)	31 March 2021	-	-	-	-
	31 March 2020	(10.95)	-	-	(10.95)
Safari Digital Education Initiatives Private Limited (E books)	31 March 2021	4.78	-	-	4.78
	31 March 2020	(3.79)	-	-	(3.79)
S. Chand Edutech Private Limited (E books)	31 March 2021	0.50	-	-	0.50
	31 March 2020	(3.28)	-	-	(3.28)
Sale of services					
Vikas Publishing House Private Limited	31 March 2021	4.33	-	-	4.33
	31 March 2020	(1.92)	-	-	(1.92)
Chhaya Prakashani Limited	31 March 2021	3.99	-	-	3.99
	31 March 2020	(1.22)	-	-	(1.22)
New Saraswati House (India) Private Limited	31 March 2021	18.46	-	-	18.46
	31 March 2020	(20.01)	-	-	(20.01)
Indian Progressive Publishing Co. Private Limited	31 March 2021	0.44	-	-	0.44
	31 March 2020	-	-	-	-
Subtotal	31 March 2021	33.12	-	-	33.12
	31 March 2020	(41.60)	-	-	(41.60)
Other income					
Rent income					
Vikas Publishing House Private Limited (warehouse)	31 March 2021	0.10	-	-	0.10
	31 March 2020	(0.15)	-	-	(0.15)
Management cross charge					
Vikas Publishing House Private Limited	31 March 2021	10.19	-	-	10.19
	31 March 2020	(13.28)	-	-	(13.28)
New Saraswati House (India) Private Limited	31 March 2021	12.53	-	-	12.53
	31 March 2020	(18.04)	-	-	(18.04)
Safari Digital Education Initiatives Private Limited	31 March 2021	4.95	-	-	4.95
	31 March 2020	(6.27)	-	-	(6.27)
DS Digital Private Limited	31 March 2021	6.10	-	-	6.10
	31 March 2020	(6.38)	-	-	(6.38)
S. Chand Edutech Private Limited	31 March 2021	3.31	-	-	3.31
	31 March 2020	(9.77)	-	-	(9.77)
Chhaya Prakashani Limited	31 March 2021	7.71	-	-	7.71
	31 March 2020	(11.36)	-	-	(11.36)
Interest income					
Eurasia Publishing House Private Limited	31 March 2021	13.83	-	-	13.83
	31 March 2020	(13.87)	-	-	(13.87)
New Saraswati House (India) Private Limited	31 March 2021	15.29	-	-	15.29
	31 March 2020	(4.75)	-	-	(4.75)
Vikas Publishing House Private Limited	31 March 2021	-	-	-	-
	31 March 2020	(12.30)	-	-	(12.30)
Safari Digital Education Initiatives Private Limited	31 March 2021	17.13	-	-	17.13
	31 March 2020	(17.22)	-	-	(17.22)

9. 11

(₹ in millions)					
Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
DS Digital Private Limited	31 March 2021 31 March 2020	11.00 (8.50)	- -	- -	11.00 (8.50)
S. Chand Edutech Private Limited	31 March 2021 31 March 2020	2.39 (2.45)	- -	- -	2.39 (2.45)
Miscellaneous income					
Vikas Publishing House Private Limited	31 March 2021 31 March 2020	0.18 (0.29)	- -	- -	0.18 (0.29)
Chhaya Prakashani Limited	31 March 2021 31 March 2020	- (0.02)	- -	- -	- (0.02)
S. Chand Edutech Private Limited	31 March 2021 31 March 2020	- (0.03)	- -	- -	- (0.03)
Loans repayment received					
Vikas Publishing House Private Limited	31 March 2021 31 March 2020	- (266.00)	- -	- -	- (266.00)
Subtotal	31 March 2021 31 March 2020	104.73 (390.67)	- -	- -	104.73 (390.67)
Expenses					
Purchase of stock-in-trade					
Nirja Publishers & Printers Private Limited (books)	31 March 2021 31 March 2020	- (0.08)	- -	- -	- (0.08)
Vikas Publishing House Private Limited (books)	31 March 2021 31 March 2020	25.86 (32.26)	- -	- -	25.86 (32.26)
BPI (India) Private Limited (books)	31 March 2021 31 March 2020	35.83 (1.71)	- -	- -	35.83 (1.71)
S. Chand Edutech Private Limited	31 March 2021 31 March 2020	0.01 -	- -	- -	0.01 -
Smartivity Labs Private Limited (VRX Sets)	31 March 2021 31 March 2020	- (0.59)	- -	- -	- (0.59)
Printing charges					
Nirja Publishers & Printers Private Limited	31 March 2021 31 March 2020	- (9.81)	- -	- -	- (9.81)
Vikas Publishing House Private Limited	31 March 2021 31 March 2020	121.48 (162.59)	- -	- -	121.48 (162.59)
Royalty expense					
Eurasia Publishing House Private Limited	31 March 2021 31 March 2020	6.04 (8.05)	- -	- -	6.04 (8.05)
Blackie & Son (Calcutta) Private Limited	31 March 2021 31 March 2020	0.69 (0.67)	- -	- -	0.69 (0.67)
Vikas Publishing House Private Limited	31 March 2021 31 March 2020	0.25 (0.48)	- -	- -	0.25 (0.48)
BPI (India) Private Limited	31 March 2021 31 March 2020	0.24 (0.24)	- -	- -	0.24 (0.24)

✓

(₹ in millions)					
Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Purchase- (Other)					
SC Hotel Tourist Deluxe Private Limited	31 March 2021	-	0.06	-	0.06
	31 March 2020	-	(0.27)	-	(0.27)
Hotel Tourist	31 March 2021	-	0.03	-	0.03
	31 March 2020	-	(0.16)	-	(0.16)
Ravindra Kumar Gupta	31 March 2021	-	-	-	-
	31 March 2020	-	-	(0.01)	(0.01)
S. Chand Edutech Private Limited	31 March 2021	1.81	-	-	1.81
	31 March 2020	(1.86)	-	-	(1.86)
Safari Digital Education Initiatives Private Limited	31 March 2021	4.90	-	-	4.90
	31 March 2020	(3.74)	-	-	(3.74)
Chhaya Prakashani Limited	31 March 2021	1.33	-	-	1.33
	31 March 2020	-	-	-	-
Nirja Publishers & Printers Private Limited (consumables)	31 March 2021	-	-	-	-
	31 March 2020	(3.69)	-	-	(3.69)
New Saraswati House (India) Private Limited (paper)	31 March 2021	8.23	-	-	8.23
	31 March 2020	-	-	-	-
BPI (India) Private Limited (consumables)	31 March 2021	0.23	-	-	0.23
	31 March 2020	-	-	-	-
S Chand Properties Private Limited	31 March 2021	-	0.02	-	0.02
	31 March 2020	-	-	-	-
Edutor Technologies India Private Limited	31 March 2021	0.94	-	-	0.94
	31 March 2020	-	-	-	-
Rent paid (including lease liabilities payment)					
Safari Digital Education Initiatives Private Limited	31 March 2021	13.73	-	-	13.73
	31 March 2020	(14.98)	-	-	(14.98)
S Chand Properties Private Limited	31 March 2021	-	1.21	-	1.21
	31 March 2020	-	(14.84)	-	(14.84)
Mrs.Savita Gupta	31 March 2021	-	-	-	-
	31 March 2020	-	-	(1.16)	(1.16)
Mrs.Neerja Jhunjhnuwala	31 March 2021	-	-	-	-
	31 March 2020	-	-	(0.67)	(0.67)
Ravindra Kumar Gupta	31 March 2021	-	-	-	-
	31 March 2020	-	-	(0.23)	(0.23)
Nirja Publishers & Printers Private Limited (plant and machinery)	31 March 2021	7.86	-	-	7.86
	31 March 2020	(4.59)	-	-	(4.59)
Vikas Publishing House Private Limited (plant and machinery)	31 March 2021	1.38	-	-	1.38
	31 March 2020	(0.92)	-	-	(0.92)
Remuneration to KMP					
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2021	-	-	10.82	10.82
	31 March 2020	-	-	(14.48)	(14.48)
Mr. Himanshu Gupta	31 March 2021	-	-	10.18	10.18
	31 March 2020	-	-	(14.54)	(14.54)
Mr. Desh Raj Dogra	31 March 2021	-	-	0.56	0.56
	31 March 2020	-	-	(0.53)	(0.53)
Ms. Archana Capoor	31 March 2021	-	-	0.53	0.53
	31 March 2020	-	-	(0.50)	(0.50)

9. A M

(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Mr. Sanjay Vijay Bhandarkar	31 March 2021 31 March 2020	- -	- -	0.50 (0.41)	0.50 (0.41)
Mr. Rajagopalan Chandrashekar	31 March 2021 31 March 2020	- -	- -	0.41 (0.38)	0.41 (0.38)
Mr. Saurabh Mittal	31 March 2021 31 March 2020	- -	- -	6.87 (9.90)	6.87 (9.90)
Mr. Jagdeep Singh	31 March 2021 31 March 2020	- -	- -	3.60 (5.52)	3.60 (5.52)
Other expenses					
S. Chand Edutech Private Limited	31 March 2021 31 March 2020	- (0.12)	- -	- -	- (0.12)
Vikas Publishing House Private Limited	31 March 2021 31 March 2020	0.54 (0.98)	- -	- -	0.54 (0.98)
Safari Digital Education Initiatives Private Limited	31 March 2021 31 March 2020	1.51 (0.58)	- -	- -	1.51 (0.58)
DS Digital Private Limited	31 March 2021 31 March 2020	- (0.83)	- -	- -	- (0.83)
Shyam Lal Charitable Trust	31 March 2021 31 March 2020	- -	0.00 (0.04)	- -	0.00 (0.04)
New Saraswati House (India) Private Limited	31 March 2021 31 March 2020	1.03 (0.85)	- -	- -	1.03 (0.85)
Chhaya Prakashani Limited	31 March 2021 31 March 2020	- (0.13)	- -	- -	- (0.13)
S Chand Properties Private Limited	31 March 2021 31 March 2020	- -	0.80 (0.71)	- -	0.80 (0.71)
Hotel Tourist	31 March 2021 31 March 2020	- -	0.04 -	- -	0.04 -
Subtotal	31 March 2021 31 March 2020	233.89 (249.67)	2.16 (16.02)	33.48 (48.35)	269.53 (314.04)
Purchase of property, plant and equipments					
Vikas Publishing House Private Limited (property, plant and equipments)	31 March 2021 31 March 2020	- (0.28)	- -	- -	- (0.28)
Nirja Publishers & Printers Private Limited (property, plant and equipments)	31 March 2021 31 March 2020	- (0.13)	- -	- -	- (0.13)
Safan Digital Education Initiatives Private Limited (property, plant and equipments)	31 March 2021 31 March 2020	1.49 -	- -	- -	1.49 -
Subtotal	31 March 2021 31 March 2020	1.49 (0.40)	- -	- -	1.49 (0.40)
Sale of property, plant and equipments					
Chhaya Prakashani Limited (books and property, plant and equipments)	31 March 2021 31 March 2020	1.17 (0.11)	- -	- -	1.17 (0.11)
New Saraswati House (India) Private Limited (property, plant and equipments)	31 March 2021 31 March 2020	0.01 -	- -	- -	0.01 -
Subtotal	31 March 2021 31 March 2020	1.18 (0.11)	- -	- -	1.18 (0.11)

(₹ in millions)					
Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Loans given					
New Saraswati House (India) Private Limited	31 March 2021	25.00	-	-	25.00
	31 March 2020	(125.00)	-	-	(125.00)
DS Digital Private Limited	31 March 2021	-	-	-	-
	31 March 2020	(29.30)	-	-	(29.30)
S. Chand Edutech Private Limited	31 March 2021	2.10	-	-	2.10
	31 March 2020	-	-	-	-
Subtotal	31 March 2021	27.10	-	-	27.10
	31 March 2020	(154.30)	-	-	(154.30)
Investment made during the period (by conversion of loans)					
S. Chand Edutech Private Limited (equity shares)	31 March 2021	27.09	-	-	27.09
	31 March 2020	-	-	-	-
New Saraswati House (India) Private Limited (Preference shares)	31 March 2021	55.70	-	-	55.70
	31 March 2020	-	-	-	-
Subtotal	31 March 2021	82.79	-	-	82.79
	31 March 2020	-	-	-	-
Balance outstanding					
Assets					
Investments					
Investment in unquoted equity shares, valued at cost					
Blackie & Son (Calcutta) Private Limited	31 March 2021	62.79	-	-	62.79
	31 March 2020	(62.79)	-	-	(62.79)
Nirja Publishers & Printers Private Limited	31 March 2021	17.04	-	-	17.04
	31 March 2020	(17.04)	-	-	(17.04)
Safari Digital Education Initiatives Private Limited	31 March 2021	198.19	-	-	198.19
	31 March 2020	(198.19)	-	-	(198.19)
Eurasia Publishing House Private Limited	31 March 2021	116.05	-	-	116.05
	31 March 2020	(116.05)	-	-	(116.05)
Vikas Publishing House Private Limited	31 March 2021	1,532.00	-	-	1,532.00
	31 March 2020	(1,518.85)	-	-	(1,518.85)
New Saraswati House (India) Private Limited	31 March 2021	1,426.84	-	-	1,426.84
	31 March 2020	(1,426.84)	-	-	(1,426.84)
DS Digital Private Limited	31 March 2021	87.78	-	-	87.78
	31 March 2020	(92.78)	-	-	(92.78)
Chhaya Prakashani Limited	31 March 2021	1,657.04	-	-	1,657.04
	31 March 2020	(1,657.04)	-	-	(1,657.04)
S. Chand Edutech Private Limited	31 March 2021	67.04	-	-	67.04
	31 March 2020	(39.95)	-	-	(39.95)
Smartivity Labs Private Limited	31 March 2021	0.52	-	-	0.52
	31 March 2020	(0.52)	-	-	(0.52)
Subtotal	31 March 2021	5,165.29	-	-	5,165.29
	31 March 2020	(5,130.06)	-	-	(5,130.06)

9. 

(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Investment in unquoted preference shares					
DS Digital Private Limited	31 March 2021	160.00	-	-	160.00
	31 March 2020	(160.00)	-	-	(160.00)
New Saraswati House (India) Private Limited	31 March 2021	55.70	-	-	55.70
	31 March 2020	-	-	-	-
Smartivity Labs Private Limited	31 March 2021	21.10	-	-	21.10
	31 March 2020	(21.10)	-	-	(21.10)
Subtotal	31 March 2021	236.80	-	-	236.80
	31 March 2020	(181.10)	-	-	(181.10)
Investment in unquoted debentures					
Eurasia Publishing House Private Limited	31 March 2021	719.45	-	-	719.45
	31 March 2020	709.69	-	-	709.69
Subtotal	31 March 2021	719.45	-	-	719.45
	31 March 2020	709.69	-	-	709.69
Security deposit					
Safari Digital Education Initiatives Private Limited	31 March 2021	4.80	-	-	4.80
	31 March 2020	(4.80)	-	-	(4.80)
S Chand Properties Private Limited	31 March 2021	-	0.24	-	0.24
	31 March 2020	-	(0.58)	-	(0.58)
Mrs.Savita Gupta	31 March 2021	-	-	-	-
	31 March 2020	-	-	(0.39)	(0.39)
Ravindra Kumar Gupta	31 March 2021	-	-	-	-
	31 March 2020	-	-	(0.41)	(0.41)
Subtotal	31 March 2021	4.80	0.24	-	5.04
	31 March 2020	(4.80)	(0.58)	(0.80)	(6.18)
Loans					
Safari Digital Education Initiatives Private Limited	31 March 2021	190.86	-	-	190.86
	31 March 2020	(175.05)	-	-	(175.05)
DS Digital Private Limited	31 March 2021	122.08	-	-	122.08
	31 March 2020	(111.93)	-	-	(111.93)
S. Chand Edutech Private Limited	31 March 2021	2.12	-	-	2.12
	31 March 2020	(24.90)	-	-	(24.90)
New Saraswati House (India) Private Limited	31 March 2021	125.43	-	-	125.43
	31 March 2020	(154.47)	-	-	(154.47)
Subtotal	31 March 2021	440.49	-	-	440.49
	31 March 2020	(466.34)	-	-	(466.34)
Receivables from related parties					
Eurasia Publishing House Private Limited	31 March 2021	7.65	-	-	7.65
	31 March 2020	(12.10)	-	-	(12.10)
Safari Digital Education Initiatives Private Limited	31 March 2021	17.44	-	-	17.44
	31 March 2020	(13.59)	-	-	(13.59)

✓ A M

(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
DS Digital Private Limited	31 March 2021 31 March 2020	25.16 (18.42)	- -	- -	25.16 (18.42)
S. Chand Edutech Private Limited	31 March 2021 31 March 2020	43.96 (42.47)	- -	- -	43.96 (42.47)
SC Hotel Tourist Deluxe Private Limited	31 March 2021 31 March 2020	- -	- (0.95)	- -	- (0.95)
Hotel Tourist	31 March 2021 31 March 2020	- -	0.31 (0.43)	- -	0.31 (0.43)
New Saraswati House (India) Private Limited	31 March 2021 31 March 2020	55.24 (42.04)	- -	- -	55.24 (42.04)
BPI (India) Private Limited	31 March 2021 31 March 2020	- (2.03)	- -	- -	- (2.03)
RKG Hospitalities Private Limited	31 March 2021 31 March 2020	- -	0.34 (0.34)	- -	0.34 (0.34)
S Chand Properties Private Limited	31 March 2021 31 March 2020	- -	1.20 (8.62)	- -	1.20 (8.62)
Chhaya Prakashani Limited	31 March 2021 31 March 2020	8.52 (11.45)	- -	- -	8.52 (11.45)
Shyam Lal Charitable Trust	31 March 2021 31 March 2020	- -	- (0.01)	- -	- (0.01)
Ravindra Kumar Gupta	31 March 2021 31 March 2020	- -	- -	0.18 -	0.18 -
Edutor Technologies India Private Limited	31 March 2021 31 March 2020	0.94 -	- -	- -	0.94 -
Subtotal	31 March 2021 31 March 2020	158.92 (142.10)	1.86 (10.35)	0.18 -	160.96 (152.44)
Advance to employees					
Mr. Saurabh Mittal	31 March 2021 31 March 2020	- -	- -	2.75 (3.14)	2.75 (3.14)
Subtotal	31 March 2021 31 March 2020	- -	- -	2.75 (3.14)	2.75 (3.14)
Trade receivable					
BPI (India) Private Limited	31 March 2021 31 March 2020	- (16.42)	- -	- -	- (16.42)
New Saraswati House (India) Private Limited	31 March 2021 31 March 2020	13.46 (26.84)	- -	- -	13.46 (26.84)
Safari Digital Education Initiatives Private Limited	31 March 2021 31 March 2020	17.96 (12.93)	- -	- -	17.96 (12.93)
Vikas Publishing House Private Limited	31 March 2021 31 March 2020	- (2.02)	- -	- -	- (2.02)
DS Digital Private Limited	31 March 2021 31 March 2020	29.76 (29.76)	- -	- -	29.76 (29.76)
S. Chand Edutech Private Limited	31 March 2021 31 March 2020	3.97 (3.44)	- -	- -	3.97 (3.44)
Chhaya Prakashani Limited	31 March 2021 31 March 2020	1.17 (1.26)	- -	- -	1.17 (1.26)
Subtotal	31 March 2021 31 March 2020	66.32 (92.67)	- -	- -	66.32 (92.67)

✓ 9. A M 11

(₹ in millions)

Nature of Transactions	Year Ended	Subsidiaries / Associates	Enterprises over which KMP or their relatives exercise significant influence	Key Managerial Personnel & their relatives	Total
Liabilities					
Trade payables					
Nirja Publishers & Printers Private Limited	31 March 2021	2.37	-	-	2.37
	31 March 2020	(8.53)	-	-	(8.53)
Vikas Publishing House Private Limited	31 March 2021	132.14	-	-	132.14
	31 March 2020	(79.85)	-	-	(79.85)
Eurasia Publishing House Private Limited	31 March 2021	5.63	-	-	5.63
	31 March 2020	(8.22)	-	-	(8.22)
Blackie & Son (Calcutta) Private Limited	31 March 2021	2.26	-	-	2.26
	31 March 2020	(3.51)	-	-	(3.51)
BPI (India) Private Limited	31 March 2021	8.66	-	-	8.66
	31 March 2020	-	-	-	-
Ravindra Kumar Gupta	31 March 2021	-	-	-	-
	31 March 2020	-	-	(0.23)	(0.23)
Subtotal	31 March 2021	151.07	-	-	151.07
	31 March 2020	(100.11)	-	-	(100.34)
Employee related liabilities					
Mr. Dinesh Kumar Jhunjhnuwala	31 March 2021	-	-	0.14	0.14
	31 March 2020	-	-	(0.43)	(0.43)
Mr. Himanshu Gupta	31 March 2021	-	-	0.35	0.35
	31 March 2020	-	-	(0.40)	(0.40)
Mr. Saurabh Mittal	31 March 2021	-	-	0.42	0.42
	31 March 2020	-	-	(0.27)	(0.27)
Mr. Jagdeep Singh	31 March 2021	-	-	0.17	0.17
	31 March 2020	-	-	(0.20)	(0.20)
Subtotal	31 March 2021	-	-	1.08	1.08
	31 March 2020	-	-	(1.31)	(1.31)

(Figures in brackets represents previous year figures.)

Note: Refer note 46 for guarantees given to banks on behalf of subsidiaries.

[Handwritten signatures and initials]

35. Employee stock option plans

The Company provides share-based payment schemes to its employees. During the year ended 31 March 2021 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 grants outstanding as on 31 March 2021 (previous year 31 March 2020) are below:

	Grant IV (a)	Grant IV (b)	Grant IV (c)	Grant IV (d)	Grant VI	Grant VII	Grant VIII
Date of grant	27 August 2015	27 August 2015	30 September 2015	28 March 2016	16 August 2016	30 November 2016	11 November 2020
Date of Board approval	27 August 2015	27 August 2015	27 August 2015	28 March 2016	05 August 2016	30 November 2016 & 10 November 2016	11 November 2020
Date of Shareholder's approval	30 September 2015	30 September 2015	30 September 2015	28 March 2016	05 August 2016	30 November 2016	28 February 2021
Number of options granted	441	185	248	40	51,060	12,506	68,409
Method of settlement (Cash/Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting Period	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- 25% Year 2- 25% Year 3- 25% Year 4- 25%	Year 1- 50% Year 2- 50%	Year 1- 100%

Exercise period							
Exercise price	36,870.00	45,000.00	45,000.00	45,000.00	304.00	392.00	54.00
Fair value of shares at the time of grant (in INR)	25,227.01	20,943.84	20,593.68	20,404.22	138.97	60.40	26.11

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

Exercise period							
Exercise price	249.12	304.05	304.05	304.05	304.00	304.00	54.00
Fair value of shares at the time of grant (in INR)	170.45	141.51	139.15	0.76	138.97	60.40	26.11

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 2021		31 March 2020	
	No. of options	WAP (in ₹)	No. of options	WAP (in ₹)
Outstanding at the beginning of the year	25,456	304	40,034	304
Granted during the year	-	-	-	-
Forfeited/ expired during the year	25,456	-	14,578	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	-	-	25,456	304
Exercisable at the end of the year	-	-	25,456	304

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 2021		31 March 2020	
	No. of options	WAEF (in ₹)	No. of options	WAEF (in ₹)
Outstanding at the beginning of the year	25,530	304	38,295	304
Granted during the year	-	-	-	-
Forfeited/ expired during the year	12,765	-	12,765	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	12,765	304	25,530	304
Exercisable at the end of the year	12,765	304	25,530	304

The weighted average remaining contractual life for option outstanding under Grant VI as at March 31, 2021 is 1.38 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 2021		31 March 2020	
	No. of options	WAEF (in ₹)	No. of options	WAEF (in ₹)
Outstanding at the beginning of the year	4,701	392	6,451	392
Granted during the year	-	-	-	-
Forfeited/ expired during the year	4,701	-	1,750	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	4,701	392
Exercisable at the end of the year	-	-	4,701	392

The Company had granted 68,049 option during the year ended 31 March 2021. The details of activities under Grant VIII are summarized below:

	31 March 2021		31 March 2020	
	No. of options	WAEF (in ₹)	No. of options	WAEF (in ₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	68,049	54	-	-
Forfeited/ expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	68,049	54	-	-
Exercisable at the end of the year	68,049	54	-	-

The weighted average remaining contractual life for option outstanding under Grant VIII as at March 31, 2021 is 2.62 year.

(This space has been left blank intentionally)

[Handwritten signature]

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 VI 31 March 2017	Grant VII 31 March 2017	Grant VIII 31 March 2021
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.31%
Expected volatility	17.05%	16.46%	16.20%	16.57%	16.41%	17.06%	64.83%
Risk-free interest rate	7.67%	7.71%	7.46%	7.36%	6.86%	5.99%	4.13%
Weighted average fair market price (₹)	377	377	377	377	376	376	62
Exercise price (₹)	249	304	304	304	304	392	54
Expected life of options granted in years	2.43	3.22	3.20	3.15	3.50	2.50	1.00
Weighted average fair value of option at the time of grant (₹)	170.45	141.51	139.15	137.87	138.97	60.40	26.11

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.

The volatility for periods corresponding to the respective expected lives of the different vests, prior to the grant date has been considered. The daily volatility of the Company's stock price on NSE over these years has been considered.

(This space has been left blank intentionally)

[Handwritten signature]

[Handwritten signature]

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

The Company's principal financial liabilities, comprises of 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, advances to related party, trade and other receivables, security deposits, cash and short-term deposits that are derived 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.

The Company is exposed to following type of market risk:-

- a.) interest rate risk,
- b.) foreign currency risk and

Financial instruments affected by market risk include loans and borrowings, investments, deposits, and advances.

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

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 the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2021.

The analyses exclude the impact of movements in market variables on: the carrying values of employee benefits 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 2021		
INR Borrowings	+0.50%	4.33
	-0.50%	(4.33)
As at 31 March 2020		
INR Borrowings	+0.50%	5.25
	-0.50%	(5.25)

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 2021		
USD	+5%	1.14
	-5%	(1.14)
For the year ended 31 March 2020		
USD	+5%	1.30
	-5%	(1.30)

B. Credit risk

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

The ageing analysis of trade receivables (net) before adjustment of ECL provision of ₹ 184.62 millions (31 Mar 2020 ₹ 230.06 million) as of the reporting date is as follows:

Age Bracket	Not Due	0-215 Days	216-365 Days	365-730 Days	More than 730 Days	Total
As at 31 March 2020	1,175.39	91.96	295.51	112.12	61.82	1,736.80
As at 31 March 2021	1,037.39	170.73	131.67	62.88	136.04	1,538.71

The movement in the allowance for expected credit loss in respect of trade receivables is as follows:

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	230.06	184.14
Expected credit loss during the year [net of reversal]	(45.44)	45.92
Balance at the end of the year	184.62	230.06

C. Liquidity risk

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

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
On demand		
- Borrowings	477.61	593.91
	477.61	593.91
Less than 1 year		
- Borrowings (current maturities of long term borrowings)	69.34	2.86
- Trade payables	561.77	619.02
- Other financial liabilities (excluding current maturities of long term borrowings)	101.02	149.70
	732.13	771.58
More than 1 year		
- Borrowings	388.57	453.48
	388.57	453.48

37. 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 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 2021 is as follow:

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
Gearing Ratio		
Borrowings (note 11 & 12) (including current maturities)	935.52	1,050.25
Less: cash and cash equivalents (note 5D)	(171.51)	(10.83)
Adjusted net debt (A)	764.01	1,039.42
Equity	7,857.53	7,827.49
Total equity (B)	7,857.53	7,827.49
Total equity and net debt [C = (A+B)]	8,621.54	8,866.92
Gearing ratio (A/C)	9%	12%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.



38. Fair Values

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

Particulars	31 March 2021			31 March 2020		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
Assets						
Non-current financial assets						
- Investments*	-	719.45	-	-	709.69	-
- Loans	137.86	-	-	339.69	-	-
- Other financial assets	1.23	-	-	10.84	-	-
Financial assets						
- Investments	-	51.21	-	-	1.57	-
- Trade receivables	1,354.09	-	-	1,506.74	-	-
- Cash and Cash equivalents	171.51	-	-	10.83	-	-
- Bank balances other than cash and cash equivalents	31.18	-	-	2.91	-	-
- Loans	316.76	-	-	144.95	-	-
- Other financial assets	165.96	-	-	156.80	-	-
Non-current financial liabilities						
- Borrowings	388.57	-	-	453.48	-	-
- Lease liabilities	63.06	-	-	85.96	-	-
Current financial liabilities						
- Borrowings	477.61	-	-	593.91	-	-
- Lease liabilities	39.62	-	-	53.91	-	-
- Trade payables	561.77	-	-	619.03	-	-
- Other financial liabilities	170.36	-	-	152.56	-	-

*excludes investments in subsidiaries and associates, valued at cost

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

- 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.
- Fair value of quoted financial instruments is based on quoted market price at the reporting date.
- The carrying amount of other items carried at amortized cost are reasonable approximation of their fair value.
- 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.

Fair value measurement hierarchy for assets as at 31 March 2021:

	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:			
Investments	51.21	-	719.45

Fair value measurement hierarchy for assets as at 31 March 2020:

	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:			
Investments	1.57	-	709.69

39. The Company had filed Draft Composite Scheme of Arrangement on 9 January 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 10 March 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 10 February 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 deferred. NCLT vide its order dated 29 May 2020 has directed to convene these meetings through video conferencing in the month of July 2020. These meetings were convened through video conferencing on 17 July 2020 and 18 July 2020. Respective creditors and shareholders have approved the Composite Scheme and thereafter Company has filed a second motion application with NCLT for approval of the Composite Scheme. The approval of NCLT is awaited.

40. Corporate Social Responsibility

	As at	
	31 March 2021	31 March 2020
a) Gross amount required to be spent by the Company during the year	0.02	4.84
b) Amount spent during the year		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	4.15	8.31
	4.15	8.31

41. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Managing Director assesses the financial performance and position of the Company, and makes strategic decision and has been identified as the chief operating decision maker. The Company's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Company's primary business segment is reflected based on principal business activities carried on by the Company. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Company operates in one reportable business segment i.e., publishing of books. The geographical information analyses the Company's revenue and trade receivables from such revenue in India and other countries. The Company primarily operates in India.

Information about major customers

Revenue from one major customer amounted to ₹ 298.78 million (31 March 2020 ₹ 211.45 which aggregating to 11.29%) which aggregating to 16.91% of total revenue.

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

	(₹ in millions)	
	As at 31 March 2021	As at 31 March 2020
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	22.07	4.20
- Interest due on above	-	-
	<u>22.07</u>	<u>4.20</u>
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	-	-

Note: The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.

43. The Government of India announced the New Education Policy (NEP) 2020 on 31 July 2020, to bring in various changes to the Education system. The National Curriculum Framework (NCF) that defines the curriculum to be taught in schools is yet to be formulated based on NEP, which is expected to be developed over the period. The management is monitoring the implementation of the policy and the revised curriculum and detailed assessment shall be made, once curriculum gets formulated.

44. 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:

Purpose	Rate of Interest	Tenure	Secured/ unsecured	31 March 2021	31 March 2020
Safari Digital Education Initiatives Private Limited		1 years		190.86	175.05
D S Digital Private Limited				122.08	111.93
New Saraswati House (India) Private Limited		3 years		125.43	154.46
S Chand Edutech Private Limited				2.12	24.90
				<u>440.49</u>	<u>466.34</u>

45. 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 million as exceptional cost.

46. Contingent liabilities

	As at 31 March 2021	As at 31 March 2020
Corporate guarantee (refer note 'a' below)	942.39	1,098.89
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' & 'e' below)	0.79	0.72

- 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 2020: ₹ 9,154,800)

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

- c In respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter has been dismissed by Delhi High Court. The amount involved is ₹ nil million (31 March 2020: ₹ 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 Income Tax 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 filing return and disallowance of unexplained expenditure u/s 69 C of the Income Tax Act. The matter is pending with CIT (A). The amount involved is ₹ 0.72 million (31 March 2020: ₹ 0.72 million).
- e In respect of Assessment Year 2013-14, a disallowance under section 36(1)(va) read with section 2(24)(x) of the Income Tax 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 filing return. The matter is pending with ITAT. The amount involved is ₹ 0.07 million (31 March 2020: ₹ nil million).
- f Hon'ble Supreme Court of India has pronounced a ruling dated 28 February 2019 in which it is held that 'allowance' paid to employees, will be included in the scope of 'basic wages' and thus, will be subject to provident fund contributions. Petitions have been filed with Hon'ble Supreme Court of India seeking additional clarification with respect to the application of this ruling. As this ruling has not prescribed any clarification w.r.t. to its application, the Company is in the process of evaluating its impact. Management believes that this will not result in any material liability on the Company.
- g The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company also believes that the above issues, when finally settled, are not likely to have any significant impact on the financial position of the Company. The Company does not expect any reimbursements in respect of the above contingent liabilities.

47. During the year ended 31 March 2021, diminution in the carrying value of investment in respect of DS Digital Private Limited amounting to ₹ 5 million (previous year ₹ 50 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 39 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) had 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 39 above)

48. Unhedged foreign currency exposure

The amount of foreign currency exposure that are not hedged by derivative instrument or otherwise as on 31 March 2021 and 31 March 2020 are as under:

	(₹ in Million)			
Foreign currency	Amount in foreign currency		Amount in INR	
	31 March 2021	31 March 2020	31 March 2021*	31 March 2020**
Trade receivables	USD 0.32	0.29	23.34	22.16
Trade payables	USD 0.01	-	0.46	-

*Exchange Rate for 31 March 2021, 1 USD = ₹ 73.20

**Exchange Rate for 31 March 2020, 1 USD = ₹ 75.32

49. Note for reclassifications:

During the year ended 31 March 2021, the Company reclassified/regrouped certain previous year's balances, as below:

Reclassification of financial information of previous year ended 31 March 2020		
Details	Nature of reclassification	Amount
Provision of gratuity and compensated absences	Reclassified from 'Other financial liability' disclosed under note 14A to 'Provisions' disclosed under Note 16	2.42
Unclaimed dividend	Reclassified from 'Provisions' disclosed under Note 16 to 'Other financial liability' disclosed under note 14A	0.09
Deposits with original maturity for more than 3 months but less than 12 months	Reclassified from 'Other financial asset' disclosed under note 5F to 'Bank balances other than cash and cash equivalents' disclosed under Note 5E	2.91
Other receivable from related party	Reclassified from 'Loan to related party' disclosed under note 5G to 'Other financial assets' disclosed under Note 5F	146.45
Goodwill	Reclassified from 'Intangible assets' disclosed under note 4A to 'Goodwill' disclosed under Note 4A	23.83

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

50. COVID Disclosure

In view of COVID-19 pandemic, while 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 standalone financial statements 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 of 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 standalone financial statements. The impact of COVID 19 may differ from the estimates as at the date of approval of these standalone financial statements. There have been no material changes in the controls or processes followed in the standalone financial statements closing process of the Company. The Company will continue to monitor any future changes to the business and standalone financial statements due to COVID-19.

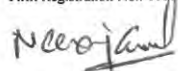
The management, based on its current and future business plans, after considering COVID 19 impact, has assessed that the Company's ability to meet its contractual obligations and liabilities that fall due in near future including repayment of the debts taken from banks / financial institutions and their 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 institution during the month of Apr-May 2020 to manage cash flows, the same was paid in June 2020.

51. The amount of inventory recorded as at 31 March 2021, comprises of inventory lying physically at the Company's warehouse. The Company as part of its policy performs physical verification of inventory bi-annually every year. However, due to the impact of the second wave of COVID-19 on the Company, the management was not able to perform inventory count as at 31 March 2021 till the date of approval of these standalone financial statements. The management, based on its assessment, is of the opinion that consequential adjustments, if any, due to physical verification of inventory items lying at its warehouse, is not expected to be material and further intends to complete the physical verification process in the subsequent quarter.

52. The standalone financial statements were approved for issue by the board of directors on 22 June 2021.

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


For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013


Neeraj Goel
Partner
Membership No.: 099514

Place : Gurugram
Date : 22 June 2021



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


Himanshu Gupta Divesh Kumar Jhunjhnuwala Saurabh Mittal Jagdeep Singh
Managing Director Whole-time director Chief Financial Officer Company Secretary
DIN: 00054015 DIN: 00282988

Place : New Delhi Place : New Delhi Place : New Delhi Place : New Delhi
Date : 22 June 2021 Date : 22 June 2021 Date : 22 June 2021 Date : 22 June 2021