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# Financial Statements of CL Media Private Limited

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For the year ended March 31,  
2018

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## INDEPENDENT AUDITOR'S REPORT

To the Members of CL Media Private Limited

### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of CL Media Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to 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 the auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018 its profit (financial performance including other comprehensive income) its cash flows and changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

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



# HARIBHAKTI & CO. LLP

Chartered Accountants

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations on its financial position in its Ind AS financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715



Place: New Delhi

Date: May 23, 2018

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of CL Media Private Limited on the financial statements for the year ended March 31, 2018]

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The Company does not have any immovable property. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The inventory (excluding stock lying with third parties) has been physically verified by the management at the end of the year. In respect of stock lying with third parties, these have been confirmed by them. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, there are no loans, investments, guarantees and securities. Accordingly paragraph 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products/activities of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii)
- (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, which have not been deposited on account of any dispute.



# HARIBHAKTI & CO. LLP

Chartered Accountants

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks. There are no debenture holders. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of the term loans during the year for the purposes for which they were raised. The Company has not raised any money through public issue offer during the year.
- (x) As the Company is private limited company, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Indian accounting standards (Ind AS).
- (xiii) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xv) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Raj Kumar Agarwal

Partner

Membership No. 074715



Place: New Delhi

Date: May 23, 2018

CL Media Private Limited  
Balance Sheet as at March 31, 2018  
(All amounts are Rupees in lacs unless otherwise stated)

Note	As at		As at	
	March 31, 2018	March 31, 2017	April 1, 2016	
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and Equipment	3	15.45	18.39	17.38
Other intangible assets	4	82.14	102.70	94.90
Intangible assets under development		17.50	-	-
<b>Financial assets</b>				
(i) Loans	5	-	0.25	0.25
Deferred tax assets (net)	6	571.20	590.56	627.72
Non current (tax) assets (net)	7	120.38	17.76	17.76
Other non current assets	8	0.09	0.09	-
<b>Total non current assets</b>		<b>806.76</b>	<b>729.75</b>	<b>758.01</b>
<b>Current assets</b>				
Inventories	9	36.65	115.69	138.49
<b>Financial assets</b>				
(i) Trade receivables	10	5,877.95	5,764.92	4,490.25
(ii) Cash and cash equivalents	11	28.72	70.70	77.64
(iii) Bank balances other than (ii) above	12	-	-	32.46
(iv) Loans	13	-	0.70	1.51
(v) Other financial assets	14	34.13	9.39	7.08
Other current assets	15	58.37	67.27	31.26
<b>Total current assets</b>		<b>6,035.82</b>	<b>6,028.67</b>	<b>4,778.69</b>
<b>Total</b>		<b>6,842.58</b>	<b>6,758.42</b>	<b>5,536.70</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	16	1.00	1.00	1.00
Other equity	17	4,593.57	3,987.05	3,287.99
		<b>4,594.57</b>	<b>3,988.05</b>	<b>3,288.99</b>
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
(i) Borrowings	18	8.08	55.84	66.28
Provisions	19	48.01	39.17	31.60
		<b>56.09</b>	<b>95.01</b>	<b>97.88</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Borrowings	20	45.07	599.88	329.13
(ii) Trade payables	21	1,774.78	1,591.23	1,411.92
(iii) other financial liabilities	22	109.12	258.11	169.26
Other current liabilities	23	56.60	19.88	31.48
Provisions	24	0.75	0.66	0.63
Current tax liabilities (net)	25	205.60	205.60	207.41
<b>Total current liabilities</b>		<b>2,191.92</b>	<b>2,675.36</b>	<b>2,149.83</b>
<b>Total liabilities</b>		<b>2,248.01</b>	<b>2,770.37</b>	<b>2,247.71</b>
<b>Total equity and liabilities</b>		<b>6,842.58</b>	<b>6,758.42</b>	<b>5,536.70</b>
Summary of significant accounting policies	2			

The accompanying notes 1 to 49 form an integral part of these financial statements.

As per our report of even date.

For Haribhakti & Co. LLP  
Chartered Accountants  
Firm registration No. 103523W/W100048

Raj Kumar Agarwal  
Partner  
Membership No.:074715

Place: New Delhi  
Date: May 23, 2018



For and on behalf of the Board of Directors of  
CL Media Private Limited

Gautam Puri  
Director  
DIN: 00033548

Place: New Delhi  
Date: May 23, 2018

Nikhil Mahajan  
Director  
DIN: 00033404

Place: New Delhi  
Date: May 23, 2018

CL Media Private Limited  
Statement of Profit and Loss for the year ended March 31, 2018  
(All amounts are Rupees in lacs unless otherwise stated)

	Note	Year ended March 31, 2018	Year ended March 31, 2017
<b>Revenue</b>			
Revenue from operations	26	4,033.23	3,748.00
Other income	27	50.84	9.59
<b>Total revenue (I)</b>		<b>4,084.07</b>	<b>3,757.59</b>
<b>Expenses</b>			
Cost of materials consumed	28	1,138.67	1,264.20
Changes in inventory of finished goods and work-in-progress	29	72.48	(3.00)
Employee benefit expenses	30	749.50	644.18
Finance costs	31	47.71	106.88
Depreciation and amortisation expenses	32	24.63	22.25
Other expenses	33	1,230.74	787.60
<b>Total expenses (II)</b>		<b>3,263.73</b>	<b>2,822.11</b>
<b>Profit before tax (I)-(II)</b>		<b>820.34</b>	<b>935.48</b>
<b>Less: Tax expense for current year</b>			
- Current tax		248.34	249.86
- Deferred tax	46	(32.02)	(10.63)
		<b>216.32</b>	<b>239.23</b>
<b>Profit after tax</b>		<b>604.02</b>	<b>696.25</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified Subsequently to statement of profit or loss			
- Remeasurement of post employment benefit obligations		3.47	4.20
- Income tax related to above item		(0.97)	(1.39)
<b>Other comprehensive income for the year (net of income tax)</b>		<b>2.50</b>	<b>2.81</b>
<b>Total comprehensive income for the year</b>		<b>606.53</b>	<b>699.06</b>
<b>Earnings per equity share (in Rs.):</b>			
Nominal value of Rs. 10 each (Previous year Rs. 10 each)			
-Basic & Diluted earning per share	34	6,040.23	6,962.50
Summary of significant accounting policies	2		

The accompanying notes 1 to 49 form an integral part of these financial statements.

As per our report of even date.

For Haribhakti & Co. LLP  
Chartered Accountants  
Firm registration No. 103523W/W100048

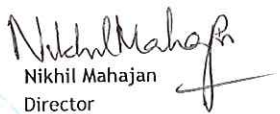
  
Raj Kumar Agarwal  
Partner  
Membership No.:074715

Place: New Delhi  
Date: May 23, 2018



For and on behalf of the Board of Directors of  
CL Media Private Limited

  
Gautam Puri  
Director  
DIN: 00033548

  
Nikhil Mahajan  
Director  
DIN: 00033404

Place: New Delhi  
Date: May 23, 2018

Place: New Delhi  
Date: May 23, 2018



CL Media Private Limited  
Cash Flow Statement for the year ended March 31, 2018  
(All amounts are Rupees in lacs unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
<b>A Cash flow from operating activities</b>		
Net profit before tax	820.34	935.48
<b>Adjustments for:</b>		
Depreciation and amortisation	24.63	22.25
Bad debts written off	76.67	9.40
Finance cost (excluding interest on delayed payment of income tax)	42.25	92.59
Amortisation of loan processing fee	1.62	(0.04)
Interest on delayed payment of income tax and statutory dues	3.84	14.33
Liabilities no longer required written back	(7.44)	(7.37)
Interest income	(1.96)	(0.57)
Provision for expected credit loss	124.31	27.61
Other comprehensive income	3.47	4.20
<b>Operating profit before working capital changes</b>	<b>1,087.73</b>	<b>1,097.88</b>
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Non- current financial asset-loans	0.25	-
Inventories	79.04	26.16
Trade receivables	(314.01)	(1,311.68)
Current financial asset-loans	0.70	0.81
Other current financial assets	(24.74)	(2.42)
Other Current Assets	8.90	(36.03)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Non-current provisions	8.84	7.57
Trade payables	190.99	183.31
Other current financial liabilities	(16.39)	16.54
Other current liabilities	36.72	(11.60)
Current provisions	0.09	0.03
<b>Cash generated/(used in) from operations</b>	<b>1,058.12</b>	<b>(29.43)</b>
Taxes and interest thereon paid	(300.55)	(205.24)
<b>Net cash used in operating activities</b>	<b>757.57</b>	<b>(234.67)</b>
	(A)	
<b>B Cash flow from investing activities:</b>		
Capital expenditure on fixed assets (including capital work in progress)	(18.63)	(27.98)
Interest income received	1.96	0.68
Proceeds from maturity of fixed deposits	-	32.46
<b>Net cash (used in)/generated from investing activities</b>	<b>(16.67)</b>	<b>5.16</b>
	(B)	

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	Year ended March 31, 2018	Year ended March 31, 2017
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C Cash Flow from financing activities:

Net increase in Long term borrowings from banks		(89.87)	37.24
Net Proceeds from short-term borrowings from related party		(554.81)	270.76
Interest and other borrowings costs paid		(138.20)	(85.43)
Net cash (used in)/generated from financing activities	(C)	<u>(782.88)</u>	<u>222.57</u>
Net (decrease)/increase in cash and cash equivalents	(A+B+C)	<u>(41.98)</u>	<u>(6.94)</u>
Cash and cash equivalents		70.70	77.64
-at beginning of the year		28.72	70.70
-at end of the year			

Notes :

i. Components of cash and cash equivalents (refer note 11)

Balances with banks		28.59	70.70
- on current accounts		0.13	-
- cash on hand		<u>28.72</u>	<u>70.70</u>

ii. Reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities.

Particulars	March 31, 2017	Cash flows	Non cash changes- Fair value changes	March 31, 2018
Short-term borrowings	599.88	(554.81)	-	45.07
Long term borrowings	144.07	(89.87)	1.62	55.82

ii. The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.

iii. Notes to the Financials Statements form an integral part of the Cash Flow Statement.

iv. Pursuant to the requirements of Section 135 of the Act, the Company has incurred Nil amount on CSR activities during the year.

As per our report of even date.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W / W100048

  
Raj Kumar Agarwal  
Partner  
Membership No.: 074715

Place: New Delhi  
Date : May 23, 2018

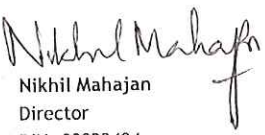


For and on behalf of the Board of Directors of  
CL Media Private Limited

  
Gautam Puri  
Director  
DIN: 00033548

Place: New Delhi  
Date : May 23, 2018



  
Nikhil Mahajan  
Director  
DIN: 00033404

Place: New Delhi  
Date : May 23, 2018

CL Media Private Limited  
Statement of changes in equity for the year ended March 31, 2018  
(All amounts are Rupees in lacs unless otherwise stated)

A. Equity Share capital

Balance as at April 01, 2016	1.00
Change in equity share capital during 2016-17	-
Balance as at March 31, 2017	1.00
Change in equity share capital during 2017-18	-
Balance as at March 31, 2018	1.00

B. Other Equity

Particulars	Attributable to owners of the company			
	Reserves & Surplus		Remeasurement of defined benefit plans	Total attributable to owners of the company
	General reserve	Retained Earnings		
Balance as at April 1, 2016	-	3,316.23	-	3,316.23
Impact due to Ind AS adjustments (Refer Note 45)	-	(28.24)	-	(28.24)
Restated balance at the beginning of the reporting year	-	3,287.99	-	3,287.99
Profit for the year	-	696.25	-	696.25
Other comprehensive Income	-	-	2.81	2.81
Total comprehensive income for the year	-	696.25	2.81	699.06
Adjustment during the year	-	-	-	-
Transfer to general reserve	-	-	-	-
Transfer from Retained earnings	-	-	-	-
Balance as at March 31, 2017	-	3,984.24	2.81	3,987.05
Profit for the year	-	604.02	-	604.02
Other comprehensive Income	-	-	2.50	2.50
Total Comprehensive Income	-	604.02	2.50	606.52
Adjustment during the year	-	-	-	-
Transfer to general reserve	-	-	-	-
Transfer from Retained earnings	-	-	-	-
Balance as at March 31, 2018	-	4,588.26	5.31	4,593.57

For Haribhakti & Co. LLP  
Chartered Accountants  
Firm registration No. 103523W/W100048

  
Raj Kumar Agarwal  
Partner  
Membership No.:074715



Place: New Delhi  
Date: May 23, 2018

For and on behalf of the Board of Directors of  
CL Media Private Limited

   
Gautam Puri      Nikhil Mahajan  
Director      Director  
DIN: 00033548      DIN: 00033404

Place: New Delhi      Place: New Delhi  
Date: May 23, 2018      Date: May 23, 2018

## Reporting Entity

CL Media Private Limited ("the Company") was incorporated on February 01, 2008 with the object of publishing educational content and books and providing advertising services on any form of media. The Company is a 100% subsidiary of CL Educate Limited with all equity shares held through nominee shareholders.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year April 01, 2017 to March 31, 2018.

### 1. Basis of preparation.

#### (i) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act as per IGAAP ("Previous GAAP").

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 45 to the financial statements.

The financial statement provides comparative information in respect of previous year. In addition, the company presents balance sheet as at beginning of the previous year, which is the transition date of Ind AS.

These financial statements were authorised for issue by the Company's Board of Directors on May 23, 2018.

The significant accounting policies adopted in the preparation of these financial statements are included in note 2. These policies have been consistently applied to all the years presented, unless otherwise stated

#### (ii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the above criteria, the Company has ascertained its accounting cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

#### (iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to nearest lacs, unless otherwise stated.



(iv) **Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(v) **Use of estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note no 43: classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2018 is included in the following notes:

- Note no 40: measurement of defined benefit obligations and plan assets: key actuarial assumptions;
- Note no 3: measurement of useful lives and residual values to property, plant and equipment;
- Note no 4: measurement of useful lives of intangible assets;
- Note no 43: fair value measurement of financial instruments;
- Note no 35: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- Note no 46: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used; and
- Note no 43: impairment of financial assets.

(vi) **Measurement of fair value**

A number of accounting policy and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

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



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

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

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) 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 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.

## 2. Significant accounting policies

### (i) Revenue

Revenue is recognised when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/duties and discounts.

#### Sale of books and scrap

Revenue from sale of books and scrap is recognised when the significant risk and rewards of ownership have passed on to the customer/buyer and is disclosed net of sales return and discounts.

#### Advertisement income

Revenue from advertising income is recognised on stage of completion basis as per the terms of the agreement.

#### Other operating income

#### Content development income

Income from content development is recognised as and when services are rendered, as specified in the agreement entered into or any amendments thereto.

#### Royalty income

Revenue from Royalty is recognised on an accrual basis in accordance with terms of the relevant agreement.

#### Subscription fee

Income from subscription services is recognised on accrual basis.

#### Unearned revenue



Amounts billed and received or recoverable prior to the reporting date for services and such services or part of such services are to be performed after the reporting date are recorded as unearned revenue in other current liabilities.

Unbilled revenue

Unbilled revenue, included in other current financial assets, represents amounts recognised based on services performed in advance of billing in accordance with service terms

(ii) **Recognition interest income**

Interest income

Interest income on time deposits is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

(iii) **Property, plant and equipment**

Recognition and measurement

Items of property, plant and equipment are measured at cost net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Subsequent expenditure

Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.



Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their estimated useful lives using the straight line method and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

The useful lives of the assets are as under:

Tangible assets:	Useful lives (in years)
Furniture and fixtures	10
Plant & Machinery	15
Office equipment	5
Computer equipment	3

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

(iv) **Intangible assets**

An intangible asset is recognised when it is probable that future economic benefit attributable to the asset will flow to the company and where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the statement of profit and loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the statement of profit and loss.





The useful lives of intangible assets are as follows:

Intangible assets:	Useful lives (in years)
License fees	10
Software	5
Content/Material development	5

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

**(v) Impairment of non-financial assets**

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

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU or an individual asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

**(vi) Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**(vii) Financial instruments**

**i. Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.



A financial asset or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction costs of financial assets carried at fair value through profit and loss are expense in the statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (OCI), or
- Fair value through profit and loss (FVTPL)

The classification depends on entity's business model for managing financial assets & the contractual terms of the cash flow.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified to be measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Financial assets: Subsequent measurement and gains and losses*

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.



A handwritten signature in black ink, consisting of a stylized 'R' followed by a flourish.

Debts investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gain and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

**iii. Offsetting**

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

**iv. Derecognition**

*Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

*Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.



v. Impairment of financial instruments:

The company recognises loss allowances for expected credit losses on;

- Financial assets measured at amortised cost and;
- Financial assets measured at FVOCI- debt instruments

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for agreed credit period;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than agreed credit period..

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is past due and not recovered within agreed credit period.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).



Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(viii) **Leases:**

Determining whether an arrangement contains a lease.

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

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

Where the Company is lessee

Finance lease

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset as determined by the management or the useful life envisaged in Schedule II to the Act, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term and the useful life envisaged in Schedule II to the Act.

Operating lease

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Payments made under operating leases are generally recognised in the statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.



Where the Company is the lessor

Finance lease

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the statement of profit and loss. Initial direct costs are included in the initial measurement of the finance lease receivable and reduces the amount of income recognised over the lease term.

Operating lease

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term unless such payments are structured to increase in line with expected general inflation.

(ix) **Inventories**

Raw materials, packaging materials and stores and spare parts are valued at the lower of cost and net realisable value. Cost includes purchase price (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, first in first out method is used.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

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.

The comparison of cost and net realisable value is made on an item by item basis.

(x) **Employee Benefits**

**Short term employee benefits:**

Short term employee benefit obligations are measured on an undiscounted basis and are expenses off as the related services are provided. Benefits such as salaries, wages, and bonus etc are recognised in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet.

**Long term employee benefits**

***Defined contribution plan: Provident fund***

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the



Government of India. The Company has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognised as an employee benefit expenses in statement of profit and loss in the period during which the related services are rendered by the employees.

#### **Defined Benefit Plan: Gratuity**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company provides for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the other comprehensive income. The Company's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken on fund obligations with respect to its gratuity plan.

#### **Other long-term benefits: Compensated absences**

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the statement of profit and loss.

#### (xi) **Income tax**

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.



Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

#### Minimum alternate tax

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.





(xii) **Contingent Liability, Contingent Asset and Provisions**

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arises from past events and whose existence 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.

Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(xiii) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

(xiv) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

(xv) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 - Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.



CL Media Private Limited

Notes to the financial statements for the year ended March 31, 2018

Segment Earnings Before Interest, Tax and Depreciation ('EBITDA') is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The operating segments have been identified on the basis of the nature of products/services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

The Board of Director(s) are collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 39 for segment information.



(All amounts are Rupees in lacs unless otherwise stated)

3. Property, plant and equipment

Particulars	Plant and machinery	Furniture and fixtures	Office equipments	Computers	Total
Cost or deemed cost (gross carrying amount)					
Balance as at April 1, 2016	12.93	0.09	0.10	4.26	17.38
Ind AS adjustments	-	-	-	-	-
Adjusted balance as at April 1, 2016	12.93	0.09	0.10	4.26	17.38
Additions	2.93	-	-	1.09	4.02
Disposals	-	-	-	-	-
Ind AS remeasurement	-	-	-	-	-
Balance as at March 31, 2017	15.86	0.09	0.10	5.35	21.40
Balance as at April 1, 2017	15.86	0.09	0.10	5.35	21.40
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Ind AS remeasurement	-	-	-	-	-
Balance as at March 31, 2018	15.86	0.09	0.10	5.35	21.40
Accumulated depreciation and impairment losses					
Balance as at April 1, 2016	-	-	-	-	-
Depreciation for the year	1.07	0.03	-	1.91	3.01
Disposals	-	-	-	-	-
Balance as at March 31, 2017	1.07	0.03	-	1.91	3.01
Balance at April 1, 2017	1.07	0.03	-	1.91	3.01
Depreciation for the year	1.24	0.03	-	1.67	2.94
Disposals	-	-	-	-	-
Balance as at March 31, 2018	2.31	0.06	-	3.58	5.95
Carrying amount (net)					
As at April 1, 2016	12.93	0.09	0.10	4.26	17.38
As at March 31, 2017	14.80	0.06	0.10	3.44	18.39
As at March 31, 2018	13.55	0.03	0.10	1.77	15.45

Notes:

- The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition, for details refer note 45.
- There are no impairment losses recognised during the year.
- There are no exchange differences adjusted in property, plant & equipment.
- Refer note 32 for amortisation.



(All amounts are Rupees in lacs unless otherwise stated)

4. Intangible assets				
Particulars	Computer software	License fees (Refer Note (iii))	Content/Material Development (Refer Note (ii))	Total
<b>Cost or deemed cost (gross carrying amount)</b>				
Balance as at April 1, 2016	-	89.99	4.91	94.90
Additions	1.70	-	25.33	27.03
Disposals	-	-	-	-
<b>Balance as at March 31, 2017</b>	<b>1.70</b>	<b>89.99</b>	<b>30.24</b>	<b>121.93</b>
Balance as at April 1, 2017	1.70	89.99	30.24	121.93
Additions	-	-	1.14	1.14
Disposals	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>1.70</b>	<b>89.99</b>	<b>31.38</b>	<b>123.07</b>
<b>Accumulated amortisation</b>				
Balance as at April 1, 2016	-	-	-	-
Amortisation for the year	0.26	15.03	3.95	19.24
Disposals	-	-	-	-
<b>Balance as at March 31, 2017</b>	<b>0.26</b>	<b>15.03</b>	<b>3.95</b>	<b>19.24</b>
Balance as at April 1, 2017	0.26	15.03	3.95	19.24
Amortisation for the year	0.34	15.03	6.32	21.69
Disposals	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>0.60</b>	<b>30.06</b>	<b>10.27</b>	<b>40.93</b>
<b>Carrying amount (net)</b>				
As at April 1, 2016	-	89.99	4.91	94.90
As at March 31, 2017	1.45	74.96	26.29	102.70
As at March 31, 2018	1.10	59.93	21.11	82.14

**Note:**

(i) The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its intangible assets as its deemed cost as at the date of transition, for details refer note 45.

(ii) Content is core to publishing the test preparation books and other competitive exam books and is an intellectual property. It includes content in form of books, questions and solutions and analysis of test papers. Amortisation is calculated to write off the cost of content over their estimated useful life (range 1 to 5 years) using the straight-line method.

(iii) License fee represent the arrangement between author and publisher to use it's content in publication of books and titles that useful for different examination. Amortisation is calculated to write off the cost of content over their estimated useful life (range 1 to 5 years) using the straight-line method.

(iv) There are no exchange differences adjusted in intangible assets.

(v) The Company has not carried out any revaluation of intangible assets for the year ended March 31, 2018 and March 31, 2017.

(vi) Refer note 32 for amortisation.

(vii) Details of internally generated intangible assets are as below:

Particulars	Content/Material Development
<b>Cost or deemed cost (gross carrying amount)</b>	
Balance as at April 1, 2016	4.91
Additions	25.33
Disposals	-
<b>Balance as at March 31, 2017</b>	<b>30.24</b>
Balance as at April 1, 2017	30.24
Additions	-
Disposals	-
<b>Balance as at March 31, 2018</b>	<b>30.24</b>
<b>Accumulated amortisation</b>	
Balance as at April 1, 2016	-
Amortisation for the year	3.95
Disposals	-
<b>Balance as at March 31, 2017</b>	<b>3.95</b>
Balance as at April 1, 2017	3.95
Amortisation for the year	6.05
Disposals	-
<b>Balance as at March 31, 2018</b>	<b>10.00</b>
<b>Carrying amount (net)</b>	
As at April 1, 2016	4.91
As at March 31, 2017	26.29
As at March 31, 2018	20.24

(i) Content is at core to publishing the test preparation books and other competitive exam books and is an intellectual property. It includes content in form of books, questions and solutions and analysis of test papers. Amortisation is calculated to write off the cost of content over their estimated useful life (range 1 to 5 years) using the straight-line method.



5. Non current financial asset-loans

Unsecured, considered good unless stated otherwise  
Security deposits

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	-	0.25	0.25
	-	0.25	0.25

For explanation on the Company credit risk management process refer note 43

6. Deferred tax liabilities/ assets

Net deferred tax assets (refer note 46)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	571.20	590.56	627.72

In assessing the realisability of deferred tax assets, management considers whether it is reasonable, that some portion, or all, of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible.

7. Non current (tax) assets

Advance income tax and tax deducted at source (net of provision of Rs. 598.23 lacs  
(March 31, 2017: Rs. 349.89 lacs; April 1, 2016: Rs. 349.89 lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	120.38	17.76	17.76
	120.38	17.76	17.76

8. Other non current assets

Capital advances

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	0.09	0.09	-
	0.09	0.09	-

9. Inventories

Valued at lower of cost or net realisable value

Raw materials  
Work-in-progress  
Finished goods  
Less: Provision for slow moving inventory

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	35.09	41.65	70.82
	-	73.13	27.23
	1.56	0.91	43.81
	-	-	(3.37)
	36.65	115.69	138.49

Note:-

- (i) All inventories categories represent text books.  
(ii) Includes raw materials lying with third parties March 31, 2018: Rs. 35.09 lacs, March 31, 2017: Rs. 41.65 lacs, April 1, 2016: Rs. 70.82 lacs.  
(iii) Includes work-in-progress lying with third parties March 31, 2018: Rs. Nil, March 31, 2017: Rs. 73.13 lacs, April 1, 2016: Rs. 27.23 lacs.



10. Trade receivables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good unless stated otherwise			
Unsecured and considered good	5,877.95	5,764.92	4,490.25
Unsecured and considered doubtful	194.57	70.26	42.65
Less: Provision for doubtful debts	194.57	70.26	42.65
	<b>5,877.95</b>	<b>5,764.92</b>	<b>4,490.25</b>

Of the above, trade receivables from related parties are as below:

Total trade receivables from related parties (Refer note v & Note 41)	4,816.45	5,073.76	4,094.66
	<b>4,816.45</b>	<b>5,073.76</b>	<b>4,094.66</b>

Notes:

- The Company has measured Expected Credit Loss of trade receivable based on simplified approach as per Ind AS 109 "Financial Instruments" except bulk customer and other. (refer note no 43)
- For explanation on the Company credit risk management process (refer Note no. 43)
- Trade receivables are non interest bearing and are normally received in normal operating cycle.
- No Trade or other receivable are due from director or other officer of the Company and firms or private companies in which any director is a partner, a director or a member either jointly or severally with other persons except as stated above.
- For terms and condition of trade receivable owing from related parties (refer note 41)

11. Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks			
- on current accounts	28.59	70.70	77.64
- cash on hand	0.13	-	-
	<b>28.72</b>	<b>70.70</b>	<b>77.64</b>

For explanation on the Company risk management process refer note 43

12. Other bank balances

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits with original maturity for more than three months but less than twelve months from the reporting date	-	-	32.46
	<b>-</b>	<b>-</b>	<b>32.46</b>

For explanation on the Company risk management process (Refer note 43)

13. Current financial asset-loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good unless stated otherwise			
Security deposits	-	0.70	0.70
Loans and advances to employees	-	-	0.81
	<b>-</b>	<b>0.70</b>	<b>1.51</b>

For explanation on the Company risk management process (Refer note 43)

14. Other current financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest accrued but not due on fixed deposits	-	-	0.11
Other receivable	34.13	9.39	6.97
	<b>34.13</b>	<b>9.39</b>	<b>7.08</b>

For explanation on the Company risk management process (Refer note 43)



15. Other current assets

Unsecured, considered good, unless otherwise stated  
 Advance to suppliers  
 Prepaid expenses  
 Goods & Service tax/Service tax credit receivable

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	13.18	10.52	14.92
	3.92	3.10	6.41
	41.27	53.65	9.93
	<u>58.37</u>	<u>67.27</u>	<u>31.26</u>

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16. Equity share capital

a) The Company has only one class of share capital having a par value of Rs. 10 per share, referred to herein as equity shares.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorised Shares</b>			
10,000 (March 31, 2017: 10,000; April 1, 2016: 10,000) equity shares of Rs. 10 each fully paid up	1.00	1.00	1.00
<b>Issued, subscribed and fully paid-up shares</b>			
10,000 (March 31, 2017: 10,000; April 1, 2016: 10,000) equity shares of Rs. 10 each fully paid up	1.00	1.00	1.00
	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity Shares	Year ended March 31, 2018		Year ended March 31, 2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,000	1.00	10,000	1.00
Shares outstanding at the end of the year	10,000	1.00	10,000	1.00

-During the year, the company has neither issued nor bought back any shares

c. Terms/rights attached to equity share

**Voting**

Each holder of equity shares is entitled to one vote per share held.

**Dividends**

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend in the current year and previous year.

**Liquidation**

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

d. Shares held by holding/ ultimate holding company and/ or their subsidiaries/associates

Nature of Relationship	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number	% of Holding	Number	% of Holding	Number	% of Holding
Equity shares of Rs. 10 each fully paid up held by CL Educate Limited (Holding Company)	10,000	100.00%	10,000	100.00%	10,000	100.00%

-As per record of the company, including its register of shareholder/members, the above shareholding represents both legal and beneficial ownership of the shares.

e. Detail of shareholders holding more than 5% of equity share of the Company

Name of shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Holding in numbers	% of total equity shares	Holding in numbers	% of total equity shares	Holding in numbers	% of total equity shares
Equity shares of Rs. 10 each fully paid up held by :-						
-Nikhil Mahajan (as nominee of CL Educate Limited)	5,000	50%	5,000	50%	5,000	50%
-Satya Narayanan R (as nominee of CL Educate Limited)	5,000	50%	5,000	50%	5,000	50%

f. No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back during the period of five years immediately preceding the balance sheet date.





17. Other equity

Surplus in the Statement of Profit and Loss

Opening balance  
(+) Net profit for the year  
Closing balance (A)

Other comprehensive income

Opening balance  
Add: other comprehensive income for the year  
Closing balance (B)

Total other equity (A+B)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Surplus in the Statement of Profit and Loss			
Opening balance	3,984.24	3,287.99	3,287.99
(+) Net profit for the year	604.02	696.25	-
Closing balance (A)	4,588.26	3,984.24	3,287.99
Other comprehensive income			
Opening balance	2.81	-	-
Add: other comprehensive income for the year	2.50	2.81	-
Closing balance (B)	5.31	2.81	-
Total other equity (A+B)	4,593.57	3,987.05	3,287.99

18. Borrowings

Term Loan, unsecured

Loans from banks (Refer note i)  
Loans from financial institutions (Refer note i)

Less: Interest accrued but not due on borrowings

Net amount

	Non-current portion		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loan, unsecured			
Loans from banks (Refer note i)	0.14	10.93	22.89
Loans from financial institutions (Refer note i)	8.69	47.32	44.91
Less: Interest accrued but not due on borrowings	0.75	2.41	1.52
Net amount	8.08	55.84	66.28

Current maturities

Term Loan, unsecured

Loans from banks (Refer note i)  
Loans from financial institutions (Refer note i)  
Amount disclosed under the head "other current financial liabilities" (refer note 22)

Net amount

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loan, unsecured			
Loans from banks (Refer note i)	10.67	11.82	9.63
Loans from financial institutions (Refer note i)	37.07	76.41	30.96
Amount disclosed under the head "other current financial liabilities" (refer note 22)	(47.74)	(88.23)	(40.59)
Net amount	-	-	-

Note :

i. Company has taken working capital term loans from a bank/financials institutions. Details of interest rate, tenure and repayment of the said loan are as follows:

Bank wise Borrowings

For amount outstanding as at March 31, 2018

Name of bank	Loan taken Rs. In lacs	Rate of Interest	Tenure	Date of first EMI	EMI Rs. In lacs
Ratnakar Bank Limited	35.00	19.00%	36 Months	5-Jan-16	1.28

Name of financial institutions	Loan taken Rs. In lacs	Rate of Interest	Tenure	Date of first EMI	EMI Rs. In lacs
Edelweiss Retail Finance Limited	30.00	18.50%	36 Months	5-Mar-16	1.09
Capital First Limited	40.00	18.50%	36 Months	5-Oct-16	1.46
IIFL	35.00	19.50%	24 Months	3-Nov-16	1.77



CL Media Private Limited  
Notes to the financial statements for the year ended March 31, 2018  
(All amounts are Rupees in lacs unless otherwise stated)

For amount outstanding as at March 31, 2017

Name of bank	Loan taken Rs. In lacs	Rate of Interest	Tenure	Date of first EMI	EMI Rs. In lacs
Ratnakar Bank Limited	35.00	19.00%	36 Months	5-Jan-16	1.28

Name of financial institutions	Loan taken Rs. In lacs	Rate of Interest	Tenure	Date of first EMI	EMI Rs. In lacs
Fullerton India Credit Company Limited	50.00	18.50%	24 Months	4-Feb-16	2.51
Edelweiss Retail Finance Limited	30.00	18.50%	36 Months	5-Mar-16	1.09
Tata Capital Financial Services Limited	22.27	18.79%	18 Months	3-Oct-16	1.43
Capital First Limited	40.00	18.50%	36 Months	5-Oct-16	1.46
IIFL	35.00	19.50%	24 Months	3-Nov-16	1.77
Capital Float	25.00	19.00%	360 Days	5-Nov-16	2.30
LendingKart	25.00	19.20%	12 months	29-Jan-17	2.31

For amount outstanding as at April 1, 2016

Name of financial institutions	Loan taken Rs. In lacs	Rate of Interest	Tenure	Date of first EMI	EMI Rs. In lacs
Fullerton India Credit Company Limited	50.00	18.50%	24 Months	4-Feb-16	2.51
Edelweiss Retail Finance Limited	30.00	18.50%	36 Months	5-Mar-16	1.09

(ii) Loans amounting Rs. 34.38 lacs (March 31, 2017: Rs. 82.73 lacs April 1, 2016: Rs. Nil) have been guaranteed by the directors of the Company

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19. Long term provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits (Refer note 40)			
Gratuity	16.78	11.67	8.28
Leave encashment	31.23	27.50	23.32
	<b>48.01</b>	<b>39.17</b>	<b>31.60</b>

20. Current borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured			
Loans repayable on demand from related parties(refer note i)	45.07	565.54	329.13
Loans from financial institutions (Refer note 18)	-	34.34	-
	<b>45.07</b>	<b>599.88</b>	<b>329.13</b>

Note

- Unsecured loans from related parties represent loans taken from holding company and fellow subsidiary.
- Loan taken from fellow subsidiary carries an interest rate ranges from 12.50 %- 16.00% p.a ( previous year 16.00%) payable on maturity. The repayment of entire loan amount along with all interest due thereon shall be repaid by March 31, 2018 or on demand whichever is earlier.
- Loan from holding company carries an interest rate of 12.50% p.a ( previous year 14.50%). Loan is repayable on demand.
- For explanation on the Company liquidity risk management process (Refer note 43).

21. Trade payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payable			
- to related parties	1,106.65	869.12	815.84
- to others	668.13	722.11	596.08
	<b>1,774.78</b>	<b>1,591.23</b>	<b>1,411.92</b>

Note:

- Includes acceptance of Rs. Nil (March 31, 2017: Rs. 0.12 lacs, April 1, 2016: Rs. 29.08 lacs) on account of letter of credit facilities utilised by various parties during the year.
- Trade payables are non interest bearing and are normally settled in normal trade cycle.
- For explanation on the Company liquidity risk management process refer note 43.
- For terms and conditions with related parties Refer note 41

22. Other current financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of non current borrowings (Refer note 18)	47.74	88.23	40.59
Interest accrued but not due on borrowings	1.97	94.08	72.59
other payable:-			
Payable for property, plant and equipment			
- to others	0.24	3.18	-
Employee related payables	59.17	72.62	56.08
	<b>109.12</b>	<b>258.11</b>	<b>169.26</b>

For explanation on the Company liquidity risk management process refer note 43.

23. Other current liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory dues payable	54.42	15.64	26.10
Advance from customers	2.18	4.24	5.38
	<b>56.60</b>	<b>19.88</b>	<b>31.48</b>



## 24. Short term provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits (refer note 40)			
Gratuity	0.28	0.27	0.29
Leave encashment	0.47	0.39	0.34
	<b>0.75</b>	<b>0.66</b>	<b>0.63</b>

## 25. Current tax liabilities (net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for income tax (net of advance of Rs. 400.15 lacs (March 31, 2017: Rs. 400.15 lacs; April 1, 2016: Rs. 180.92 lacs)	205.60	205.60	207.41
	<b>205.60</b>	<b>205.60</b>	<b>207.41</b>

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## 26. Revenue from operations

	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations		
Sale of books and study material (Refer note i)	2,423.70	2,733.52
Income from advertisement services	1,369.53	894.12
	<u>3,793.23</u>	<u>3,627.64</u>
Other operating Revenue		
Content development and maintenance fees	240.00	120.02
Sales of scrap	-	0.34
	<u>240.00</u>	<u>120.36</u>
<b>Total</b>	<u><u>4,033.23</u></u>	<u><u>3,748.00</u></u>

## Note

- i. The Company is engaged in publishing of educational content and books which are subject to nil rate of GST/excise duty.  
ii. The revenue from sale of books are net off rebate and discounts.

## 27. Other income

	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on fixed deposits	1.96	0.57
Liabilities no longer required written back	7.44	7.37
Subscription income	41.36	0.23
Miscellaneous income	0.08	1.42
	<u>50.84</u>	<u>9.59</u>

## 28. Cost of materials consumed

## A. Raw material consumed

	Year ended March 31, 2018	Year ended March 31, 2017
Inventory at the beginning of the year	41.65	70.82
Add: Purchases during the year (Refer note i)	656.18	840.14
	<u>697.83</u>	<u>910.96</u>
Less: Inventory at the end of the year	35.09	41.65
<b>Sub-total (A)</b>	<u><u>662.74</u></u>	<u><u>869.31</u></u>

## B. Cost of material consumed

	Year ended March 31, 2018	Year ended March 31, 2017
Printing cost	454.74	353.83
Binding and cover pasting charges	16.61	29.00
Content development cost	-	1.27
Packing material consumed	0.66	5.21
Content editing and typing charges	3.92	0.82
Royalty charges	-	4.68
Labour cost	-	0.08
<b>Sub-total (B)</b>	<u><u>475.93</u></u>	<u><u>394.89</u></u>
<b>Total (A+B)</b>	<u><u>1,138.67</u></u>	<u><u>1,264.20</u></u>

## Note

- (i) Details of purchases are as follows:

	Year ended March 31, 2018	Year ended March 31, 2017
Paper	653.96	837.30
Lamination material	2.23	2.83
	<u>656.19</u>	<u>840.13</u>



29. Changes in inventory of finished goods and work-in progress

Inventories at the beginning of the year

-Finished goods  
-Work-in-progress

Less: Inventories at the end of the year

-Finished goods  
-Work-in-progress

Net decrease/(increase)

	Year ended March 31, 2018	Year ended March 31, 2017
	0.91	43.81
	73.13	27.23
	<u>74.04</u>	<u>71.04</u>
	1.56	0.91
	-	73.13
	<u>1.56</u>	<u>74.04</u>
	<u>72.48</u>	<u>(3.00)</u>

30. Employee Benefit Expenses

Salary, wages, bonus and other benefits  
Leave encashment expense (Refer note 40)  
Gratuity expense (Refer note 40)  
Contribution to provident and other funds (Refer note 40)  
Staff welfare expenses

	Year ended March 31, 2018	Year ended March 31, 2017
	708.38	602.57
	4.98	4.76
	9.22	8.75
	25.16	23.71
	1.76	4.39
	<u>749.50</u>	<u>644.18</u>

31. Finance cost

Interest expense on financial liabilities measured at amortised cost  
Interest expense:  
- on short term borrowings from related parties  
- on delay in payment of income tax  
- on delay in payment of statutory dues  
Other borrowing costs

	Year ended March 31, 2018	Year ended March 31, 2017
	20.47	28.40
	-	-
	16.75	60.21
	3.81	13.94
	0.03	0.39
	6.65	3.94
	<u>47.71</u>	<u>106.88</u>

32. Depreciation and amortisation expenses

Depreciation of tangible assets (Refer note 3)  
Amortisation of intangible assets (Refer note 4)

	Year ended March 31, 2018	Year ended March 31, 2017
	2.94	3.01
	21.69	19.24
	<u>24.63</u>	<u>22.25</u>



33. Other expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Freight and cartage outward	20.59	17.68
Retainership fee	16.09	30.84
Legal and professional charges(Note i)	10.18	40.17
Rates and Taxes	2.28	4.40
Equipment rentals and other hire charges	1.87	0.97
Travelling and conveyance expenses	47.16	27.60
Marketing research expenses	14.76	10.47
Repairs:		
Machinery	0.81	0.31
Others	2.87	8.58
Office administration expenses	32.40	25.41
Advertisement support services	526.27	480.99
Content development cost	0.77	1.15
Material printing cost	-	5.24
Lease rent charges (refer note 37)	67.86	65.93
Business promotion expenses	259.55	14.76
Communication expenses	0.10	1.18
Insurance expenses	2.29	1.04
Bad debts written off	76.67	9.40
Provision for expected credit loss (Refer note 43)	124.31	27.61
Commission to non -executive director	5.07	5.74
Advances written off	-	2.17
Miscellaneous expenses	18.84	5.96
	<b>1,230.74</b>	<b>787.60</b>

Note

i. Remuneration to Auditor (excluding service tax/GST)

	Year ended March 31, 2018	Year ended March 31, 2017
Statutory audit	6.50	6.50
	<b>6.50</b>	<b>6.50</b>

34. Disclosure as per Ind AS 33 on 'Earnings per Share'

	Year ended March 31, 2018	Year ended March 31, 2017
Basic and diluted earnings per share	6,040.23	6,962.50
Basic & Diluted earnings per share (Refer Note i & ii)		
Nominal value per share	10.00	10.00
i. Profit attributable to equity shareholders		
Profit for the year	604.02	696.25
Profit attributable to equity shareholders	<b>604.02</b>	<b>696.25</b>
ii. Weighted average number of shares used as the denominator		
Opening balance of issued equity shares	10,000	10,000
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	<b>10,000</b>	<b>10,000</b>

At present, the Company does not have any dilutive potential equity share.



35. Contingent liabilities

There are no contingent liabilities as at March 31, 2018; (March 31, 2017 Rs. Nil, April 1, 2016: Rs. Nil).

36. Commitments

There are no capital or other material commitments as at March 31, 2018 ; (March 31, 2017 Rs. Nil, April 1, 2016: Rs. Nil).

37. Leases

The Company is a lessee under operating lease of two premises. The lease terms of premises range from 1 to 2 years and accordingly are short term leases. The Company has not executed any non-cancellable operating leases.

Amount recognised in statement of profit and loss

Lease expense- minimum lease payments

	Year ended March 31, 2018	Year ended March 31, 2017
	67.86	65.93
	<b>67.86</b>	<b>65.93</b>

38. Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in

Principal amount due to micro and small enterprises  
 Interest due on above

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 amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.

The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED Act, 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year.

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 under section 23 of the MSMED Act 2006.

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-





**39. Segment reporting****A. Basis for Segmentation**

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available.

The board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.

The following summary describes the operations in each of the Group's reportable segments:

**Reportable segments**

- a) Publishing of books
- b) Media related services

The Company's board reviews the results of each segment on a quarterly basis. The company's board of directors uses Earning Before Interest, Tax and Depreciation ('EBITDA') to assess the performance of the operating segments.

**B. Information about reportable segments**

Information related to each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the board of directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

**Year ended March 31, 2018**

Particulars	Reportable Segments		Total
	Publishing of books	Media related services	
<b>Segment Revenue</b>			
External revenue	2,543.70	1,489.53	4,033.23
Inter-segment revenue	-	-	-
<b>Total Segment Revenue</b>	<b>2,543.70</b>	<b>1,489.53</b>	<b>4,033.23</b>
Segment profit/(loss) before income tax	875.03	137.46	1,012.49
Interest revenue	-	-	-
Interest expense	-	-	-
Depreciation and amortisation	22.59	-	22.59
Share of profit/(loss) of equity accounted investees	-	-	-
Income tax expense	-	-	-
	<b>852.44</b>	<b>137.46</b>	<b>989.90</b>
<b>Segment assets</b>	<b>4,729.01</b>	<b>1,284.08</b>	<b>6,013.10</b>
Segment assets include:			
Capital expenditure during the year	1.13	17.50	18.63
<b>Segment liabilities</b>	<b>566.83</b>	<b>1,269.31</b>	<b>1,836.14</b>
Other significant non-cash expenses (unallocable)	-	-	-

**Year ended March 31, 2017**

Particulars	Reportable Segments		Total
	Publishing of books	Media related services	
<b>Segment Revenue</b>			
External revenue	2,853.88	894.12	3,748.00
Inter-segment revenue	-	-	-
<b>Total Segment Revenue</b>	<b>2,853.88</b>	<b>894.12</b>	<b>3,748.00</b>
Segment profit/(loss) before income tax	856.62	423.84	1,280.46
Interest revenue	-	-	-
Interest expense	-	-	-
Depreciation and amortisation	20.05	-	20.05
Income tax expense	-	-	-
	<b>836.57</b>	<b>423.84</b>	<b>1,260.41</b>



Segment assets	5,173.18	838.04	6,011.22
Segment assets include:	-	-	-
Capital expenditure during the year	28.27	-	28.27
Segment liabilities	598.46	649.23	1,247.69
Other significant non-cash expenses (unallocable)	-	-	-

## C. Reconciliations of information on reportable segments

	Year ended March 31, 2018	Year ended March 31, 2017
<b>i. Revenues</b>		
Total revenue for reportable segments	4,033.23	3,748.00
Revenue for other segments	-	-
Elimination of inter-segment revenue	-	-
Revenue	<u>4,033.23</u>	<u>3,748.00</u>
<b>ii. Profit before tax</b>		
Total profit before tax for reportable segments	1,012.49	1,280.46
Profit before tax for other segments	-	-
Elimination of inter-segment profits	-	-
Unallocated amounts:		
Corporate expenses	(195.29)	(247.68)
Interest revenue	1.96	0.57
Other income	48.88	9.01
Interest expense	(47.71)	(106.88)
Profit from continuing operation before tax	<u>820.33</u>	<u>935.48</u>
<b>iii. Assets</b>		
Total assets for reportable segments	6,013.10	6,011.22
Assets for other segments	-	-
Unallocated amounts	829.48	747.20
Total assets	<u>6,842.58</u>	<u>6,758.42</u>
<b>iv. Liabilities</b>		
Total liabilities for reportable segments	1,836.14	1,247.69
Liabilities for other segments	-	-
Unallocated amounts	411.88	1,522.68
Total liabilities	<u>2,248.02</u>	<u>2,770.37</u>

## v. Information about geographical areas

Company operates under single geographic location, there are no separate reportable geographical segments.

## vi. Information about major customers (from external customers)

The Company derives revenues from the following customers which amount to 10 per cent or more of an entity's revenues:

Customer	Year ended March 31, 2018	Year ended March 31, 2017
CL Educate Limited	1,245.68	1,012.15
G.K. Publications Private Limited	1,416.23	1,564.29



## 40. Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

## A. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Contribution to provident fund (Refer note 30)

	Year ended March 31, 2018	Year ended March 31, 2017
	23.94	23.34

## B. Defined benefit plan:

## Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. The Company contributes to a trust set up by the Company which further contributes to a policy taken from the Life Insurance Corporation of India.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

## A. The following table set out the status of the defined benefit obligation

	As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
Net defined benefit liability	17.06	11.94	8.57
Liability for Gratuity	17.06	11.94	8.57
Total employee benefit liabilities	16.78	11.67	8.28
Non-current	0.28	0.27	0.29
Current			

## B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	Year ended March 31, 2018			Year ended March 31, 2017		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	24.67	12.73	11.94	19.73	11.16	8.57
Included in profit or loss						
Current service cost	8.30	-	8.30	8.06	-	8.06
Interest cost (income)	1.90	-	1.90	1.58	-	1.58
	10.20	-	10.20	9.64	-	9.64
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	(0.43)	-	(0.43)	1.04	-	1.04
- experience adjustment	(3.11)	-	(3.11)	(5.18)	-	(5.18)
Return on plan assets excluding interest income	-	0.54	(0.54)	-	0.95	(0.95)
	(3.54)	0.54	(4.08)	(4.14)	0.95	(5.09)
Other						
Contributions paid by the employer	-	1.00	(1.00)	-	0.90	(0.90)
Benefits paid	(1.72)	(1.72)	-	(0.56)	(0.28)	(0.28)
	(1.72)	(0.72)	(1.00)	(0.56)	0.62	(1.18)
Balance at the end of the year	29.61	12.55	17.06	24.67	12.73	11.94



## Expenses recognised in the Statement of profit and loss

Service cost  
Net interest cost

	Year ended March 31, 2018	Year ended March 31, 2017
Service cost	8.30	8.06
Net interest cost	1.90	1.58
	10.20	9.64

## C. Plan assets

Plan assets comprises of the following:

Funds managed by insurer

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk.

	March 31, 2018	% of Plan assets	Year ended March 31, 2017	% of Plan assets
Funds managed by insurer	12.55	100%	12.73	100%

## D. Actuarial assumptions

## a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

Discount rate  
Expected rate of future salary increase

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.80%	7.69%	8.00%
Expected rate of future salary increase	8.00%	8.00%	8.00%

The discount rate has been assumed at 'March 31, 2018: 7.80% (31 March 2017: 7.69% ; April 1, 2016: 8.00%) which is determined by reference to market yield at the balance sheet date on government securities. 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.

## b) Demographic assumptions

i) Retirement age (years)  
ii) Mortality rates inclusive of provision for disability  
iii) Ages  
Upto 30 years  
From 31 to 44 years  
Above 44 years

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	58.00	58.00	58.00
	100% of IALM (2006-08)		
	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%

## E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would

	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1.94)	2.13	(1.74)	1.92
Future salary growth (0.50% movement)	2.11	(1.94)	1.91	(1.74)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.



**Description of Risk Exposures:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**F. Expected maturity analysis of the defined benefit plans in future years**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Duration of defined benefit obligation</b>			
Less than 1 year	0.28	0.27	0.29
Between 1-2 years	0.35	0.25	0.25
Between 2-5 years	1.76	0.91	0.90
Over 5 years	27.22	23.24	18.29
<b>Total</b>	<b>29.61</b>	<b>24.67</b>	<b>19.73</b>

Expected contributions to post-employment benefit plans for the year ending March 31, 2018 are Rs. 11.35 lacs (March 31, 2017: Rs. 10.59 lacs).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 18.78 years (March 31, 2017: 18.63 years).

**(ii) Other long-term employee benefits:**

The company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. During the year ended March 31, 2018, the Company has incurred an expense on compensated absences amounting to Rs. 4.98 lacs (previous year Rs. 4.76 lacs). The Company determines the expense for compensated absences basis the actuarial valuation of plan assets and the present value of the obligation, using the Projected Unit Credit Method.



## A. The following table set out the status of the defined benefit obligation

	As at 31 March 2018	As at 31 March 2017	As at April 1, 2016
Net defined benefit liability			
Liability for Leave encashment	31.70	27.89	23.66
Total employee benefit liabilities	31.70	27.89	23.66
Current	0.47	0.39	0.34
Non-current	31.23	27.50	23.32

## B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	Year ended March 31, 2018			Year ended March 31, 2017		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	27.89	-	27.89	23.66	-	23.66
Included in profit or loss						
Current service cost	9.35	-	9.35	10.71	-	10.71
Interest cost (income)	2.15	-	2.15	1.89	-	1.89
	11.50	-	11.50	12.60	-	12.60
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	(0.35)	-	(0.35)	0.87	-	0.87
- experience adjustment	(6.17)	-	(6.17)	(8.71)	-	(8.71)
Return on plan assets excluding interest income	-	-	-	-	-	-
	(6.52)	-	(6.52)	(7.84)	-	(7.84)
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(1.17)	-	(1.17)	(0.53)	-	(0.53)
	(1.17)	-	(1.17)	(0.53)	-	(0.53)
Balance at the end of the year	31.70	-	31.70	27.89	-	27.89

## Expenses recognised in the Statement of profit and loss

	Year ended March 31, 2018	Year ended March 31, 2017
Service cost	9.35	10.71
Net interest cost	2.15	1.89
Actuarial loss (gain)	(6.52)	(7.84)
	4.98	4.76

## C. Actuarial assumptions

## a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.80%	7.69%	8.00%
Expected rate of future salary increase	8.00%	8.00%	8.00%

The discount rate has been assumed at March 31, 2018: 7.80% (31 March 2017: 7.69%) which is determined by reference to market yield at the balance sheet date on government securities. 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.



## b) Demographic assumptions

- i) Retirement age (years)  
 ii) Mortality rates inclusive of provision for disability  
 iii) Ages
- Upto 30 years  
 From 31 to 44 years  
 Above 44 years

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	58.00	58.00	58.00
	100% of IALM (2006-08)		
	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)
	3.00%	3.00%	3.00%
	2.00%	2.00%	2.00%
	1.00%	1.00%	1.00%

## E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would

	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1.51)	1.62	(1.38)	1.48
Future salary growth (0.50% movement)	1.61	(1.52)	1.47	(1.38)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

## Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact

## F. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Duration of defined benefit obligation			
Less than 1 year	0.47	0.39	0.34
Between 1-2 years	0.53	0.45	0.37
Between 2-5 years	1.81	1.45	1.11
Over 5 years	28.90	25.61	21.84
Total	31.71	27.90	23.66

Expected contributions to post-employment benefit plans for the year ending March 31, 2018 are Rs. 12.40 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 18.78 years (March 31, 2017: 18.63 years).



**41. Related Party Disclosure**

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

**(a) List of related parties****(i) Related parties where control exists:**

Relationship	Name of related party
Holding Company	CL Educate Limited

**(ii) Other related parties with whom transactions have taken place:**

Relationship	Name of related party
Fellow subsidiaries	1. Kestone Integrated Marketing Services Private Limited, India 2. G.K. Publications Private Limited, India 3. Career Launcher Education, Infrastructure and Services Limited 4. Accendere Knowledge Management Services Pvt. Ltd.
Enterprises in which key management personnel and their relatives are able to exercise significant influence	1. Career Launcher Education Foundation, India 2. CL Media Employee Gratuity Trust
Key Management Personnel	1. Mr. Satya Narayanan R 2. Mr. Gautam Puri 3. Mr. Nikhil Mahajan 4. Mr. Sridar Arvamudhan Iyengar

**(b) Details of related party transactions are as below:**

Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
<b>1. Revenue from operations</b>		
a. Sale of books and study material (Gross of returns)		
- CL Educate Limited	1,005.68	1,020.99
- G.K Publications Private Limited	2,123.29	1,990.03
b. Sale return		
- G.K Publications Private Limited	707.06	425.74
c. Content development and maintenance fee		
- CL Educate Limited	240.00	120.00
d. Other Income related to reasearch		
- Accendere Knowledge Management Services Pvt. Ltd.	-	64.19
<b>2. Cost of services</b>		
Advertising support & Infra services		
- CL Educate Limited	174.32	230.06
Professional Expenses		
- Accendere Knowledge Management Services Pvt. Ltd.	277.60	141.87
- CL Educate Limited		
Lease Rent	60.00	60.00
Employee cost	123.99	115.15
<b>4. Purchase of Assets-</b>		
Content/Material Development		
- Accendere Knowledge Management Services Pvt. Ltd.	-	11.11
Website development		
- Kestone Integrated Marketing Services Private Limited	17.50	-





<b>5. Interest on borrowings</b>		
- Kestone Integrated Marketing Services Private Limited	16.41	40.67
- CL Educate Limited	0.33	19.55
<b>6. Reimbursement of expense incurred on behalf of Company</b>		
- G.K. Publications Private Limited	-	0.10
- CL Educate Limited	162.63	9.57
<b>7. Reimbursement of expense incurred by Company on behalf of related parties</b>		
- CL Educate Limited	36.39	-
- Kestone Integrated Marketing Services Private Limited	23.09	-
<b>8. Borrowings taken from related party</b>		
- CL Educate Limited	-	75.00
- Kestone Integrated Marketing Services Private Limited	-	205.00
<b>9. Borrowings repaid</b>		
- CL Educate Limited	139.93	61.18
- Kestone Integrated Marketing Services Private Limited	380.84	-
<b>10. Conversion of interest expense into borrowings</b>		
- CL Educate Limited	0.30	17.59
<b>11. Interest income on gratuity fund</b>		
- CL Media Employee Gratuity Trust	0.54	0.96
<b>12. Commission to non-executive Directors</b>	5.07	5.74

## (c) Balance outstanding with or from related parties as:

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>Amounts Receivable</b>			
<b>Trade receivable</b>			
- CL Educate Limited	1,281.95	2,272.03	2,079.70
- G.K. Publications Private Limited	3,414.74	2,709.22	1,978.73
- Kestone Integrated Marketing Services Private Limited	27.25	-	16.25
- Accendere Knowledge Management Services Pvt. Ltd.	92.51	92.51	19.98
	<b>4,816.45</b>	<b>5,073.76</b>	<b>4,094.66</b>
<b>Amounts Payable</b>			
<b>Trade payable</b>			
- Career Launcher Education Foundation	8.92	8.92	8.92
- G.K. Publications Private Limited	-	-	0.34
- CL Educate Limited	900.56	699.88	806.58
- Accendere Knowledge Management Services Pvt. Ltd.	176.87	160.32	-
- Kestone Integrated Marketing Services Private Limited	20.30	-	-
	<b>1,106.65</b>	<b>869.12</b>	<b>815.84</b>
<b>Short term borrowings</b>			
- Kestone Integrated Marketing Services Private Limited	45.07	425.91	220.91
- CL Educate Limited	-	139.63	108.22
<b>Other current financial liabilities (Interest accrued but not due)</b>			
- Kestone Integrated Marketing Services Private Limited	1.28	91.66	71.07
<b>Other current financial assets</b>			
- Career Launcher Education Infrastructure and Services Limited	6.97	6.97	6.97
- CL Educate Limited	22.19	-	-
<b>Non current financial assets</b>			
- CL Media Employee Gratuity Trust	12.55	12.73	11.16



**d. Terms and conditions of transactions with the related parties**

i. The terms and conditions of the transactions with key management personnel were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

ii. All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured.

iii. For the year ended March 31, 2018 the Company has not recorded any impairment of receivables relating to amounts owed by related party (March 31, 2017: Rs. Nil; April 1, 2016: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**42. Corporate Social Responsibility**

The board of directors approved CSR Policy of the Company at its meeting held on 16 February 2015. In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company was required to spend during the year ending March 31, 2018 Rs. 65.92 lacs (March 31, 2017: Rs. 46.50 lacs ; April 1, 2016: Rs. 27.85 lacs) on prescribed CSR activities. However, as the policy was approved towards the end of the financial year, the Company could not implement the same and thus neither any CSR activity was undertaken nor any amount was spent towards CSR during the period and the company expects to spend the same in next financial year. Further, in accordance with the guidance provided by the Institute of Chartered Accountants of India, no provision has been recorded in the books of account towards such unspent expenditure.



43. Fair value measurement and financial instruments

a. Financial instruments - by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. As on April 1, 2016

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Loans	-	-	0.25	0.25	-	-	-
<b>Current</b>							
Trade receivables	-	-	4,490.25	4,490.25	-	-	-
Cash and cash equivalents	-	-	77.64	77.64	-	-	-
Balances other than cash and cash equivalents	-	-	32.46	32.46	-	-	-
Loans	-	-	1.51	1.51	-	-	-
Other financial assets	-	-	7.08	7.08	-	-	-
<b>Total</b>	-	-	4,609.19	4,609.19			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	66.28	66.28	-	-	-
<b>Current</b>							
Borrowings	-	-	329.13	329.13	-	-	-
Trade payables	-	-	1,411.92	1,411.92	-	-	-
Other current financial liabilities	-	-	169.26	169.26	-	-	-
<b>Total</b>	-	-	1,976.59	1,976.59			

ii. As on March 31, 2017

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Loans	-	-	0.25	0.25	-	-	-
<b>Current</b>							
Trade receivables	-	-	5,764.92	5,764.92	-	-	-
Cash and cash equivalents	-	-	70.70	70.70	-	-	-
Balances other than cash and cash equivalents	-	-	-	-	-	-	-
Loans	-	-	0.70	0.70	-	-	-
Other financial assets	-	-	9.39	9.39	-	-	-
<b>Total</b>	-	-	5,845.96	5,845.96			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	55.84	55.84	-	-	-
<b>Current</b>							
Borrowings	-	-	599.88	599.88	-	-	-
Trade payables	-	-	1,591.23	1,591.23	-	-	-
Other current financial liabilities	-	-	258.11	258.11	-	-	-
<b>Total</b>	-	-	2,505.06	2,505.06			



iii. As on March 31, 2018

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Loans	-	-	-	-	-	-	-
<b>Current</b>							
Trade receivables	-	-	5,877.95	5,877.95	-	-	-
Cash and cash equivalents	-	-	28.72	28.72	-	-	-
Balances other than cash and cash equivalents	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Other financial assets	-	-	34.13	34.13	-	-	-
<b>Total</b>	-	-	5,940.80	5,940.80			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	8.08	8.08	-	-	-
<b>Current</b>							
Borrowings	-	-	45.07	45.07	-	-	-
Trade payables	-	-	1,774.78	1,774.78	-	-	-
Other current financial liabilities	-	-	109.12	109.12	-	-	-
<b>Total</b>	-	-	1,937.05	1,937.05			

Level 1: It includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The Company's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is similar to the carrying value as there is no significant differences between carrying value and fair value.

The fair value for security deposits were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

**Valuation processes**

The Management performs the valuations of financial assets and liabilities required for financial reporting purposes on a periodic basis, including level 3 fair values.

**b. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk



**Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.



b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2016
Trade receivables	6,072.52	5,835.18	4,532.90
Cash and cash equivalents	28.72	70.70	77.64
Bank balances other than cash and cash equivalents	-	-	32.46
Loans	-	0.95	1.76
Other financial assets	34.13	9.39	7.08

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's credit risk is primarily to the amount due from customer. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance, the company estimates amounts based on the business environment in which the Company operates, and management considers that the trade receivables are in default (credit impaired) when counterparty fails to make payments for receivable as per term of sale/service agreements. However the Company based upon historical experience determine an impairment allowance for loss on receivables.

Majority of trade receivables are from individual customers, which are fragmented. Trade receivables as at year end primarily includes Rs. 6,154.67 lacs (31 March 2017: Rs. 5,835.18 lacs) relating to revenue generated from rendering of services Rs. 4,033.23 lacs (31 March 2017: Rs. 3,748.00 lacs). Trade receivables are generally realised within the credit period.

The Company's exposure to credit risk for trade receivables are as follows:

Particulars	Gross carrying amount		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1-90 days past due	749.68	448.85	303.93
91 to 180 days past due	134.84	101.36	64.75
181 to 270 days past due	41.24	57.57	6.81
271 to 360 days past due	33.55	86.69	9.15
361 to 450 days past due	162.37	11.42	25.49
451 to 540 days past due	14.83	33.86	8.51
541 to 630 days past due	39.50	5.42	2.10
631 to 720 days past due	56.38	4.24	-
More than 720 days past due	23.67	12.02	17.50
<b>Total</b>	<b>1,256.06</b>	<b>761.43</b>	<b>438.24</b>

The management considers insignificant credit risk for payments due from related parties amounting Rs. 4,816.45 lacs for the year ended March 31, 2018 (March 31, 2017 Rs. 5,073.76 lacs, April 1, 2016: Rs. 4,094.66 lacs). This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. Further, the Company does not anticipate any material credit risk of any of its other receivables.

The Company believes that the unimpaired amounts that are past due and are not recovered within agreed credit period are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Movement in the allowance for impairment in respect of trade receivables:

Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Balance at the beginning	70.26	42.65
Impairment loss recognised / (reversed)	124.31	27.61
Amount written off	-	-
<b>Balance at the end</b>	<b>194.57</b>	<b>70.26</b>



b. Financial risk management (continued)

(ii) 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 approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash (including bank deposits under lien and excluding interest accrued but not due) of Rs. 28.71 lacs as at March 31, 2018 (March 31, 2017: Rs. 70.70 lacs , April 1, 2016: Rs. 110.10 lacs) and the anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at March 31, 2018	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non current borrowings	8.08	-	8.28	-	8.28
Current borrowings	45.07	45.07	-	-	45.07
Trade payables	1,774.78	1,774.78	-	-	1,774.78
Current maturities of non-current borrowings	47.74	47.74	-	-	47.74
Interest accrued but not due on borrowings	1.97	1.97	-	-	1.97
Payable for property, plant & equipment	0.24	0.24	-	-	0.24
Employee related payables	59.17	59.17	-	-	59.17
<b>Total</b>	<b>1,937.05</b>	<b>1,928.97</b>	<b>8.28</b>	<b>-</b>	<b>1,937.25</b>



As at March 31, 2017	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non current borrowings	55.84	-	56.03	-	56.03
Current borrowings	599.88	599.88	-	-	599.88
Trade payables	1,591.23	1,591.23	-	-	1,591.23
Current maturities of non-current borrowings	88.23	88.23	-	-	88.23
Interest accrued but not due on borrowings	94.08	94.08	-	-	94.08
Payable for property, plant & equipment	3.18	3.18	-	-	3.18
Employee related payables	72.62	72.62	-	-	72.62
<b>Total</b>	<b>2,505.06</b>	<b>2,449.22</b>	<b>56.03</b>	<b>-</b>	<b>2,505.25</b>

As at April 1, 2016	Carrying amount	Contractual cash flows			
		Less than one year	Between one year to five years	More than five years	Total
Non current borrowings	66.28	-	66.85	-	66.85
Current borrowings	329.13	329.13	-	-	329.13
Trade payables	1,411.92	1,411.92	-	-	1,411.92
Current maturities of non-current borrowings	40.59	40.59	-	-	40.59
Interest accrued but not due on borrowings	72.59	72.59	-	-	72.59
Employee related payables	56.08	56.08	-	-	56.08
<b>Total</b>	<b>1,976.59</b>	<b>1,910.31</b>	<b>66.85</b>	<b>-</b>	<b>1,977.16</b>





## B. Financial risk management (continued)

## iii. Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Since, the Company does not have any foreign currency transactions and investments, the currency risk and other price risk is not applicable on the Company.

## Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

## Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term loans from banks (Non current)	8.08	55.84	66.28
Current maturities of borrowings	47.74	88.23	40.59
Current borrowings	45.07	599.88	329.13
<b>Total</b>	<b>100.89</b>	<b>743.95</b>	<b>436.00</b>

## Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks				
For the year ended March 31, 2018	(0.56)	0.56	(0.41)	0.72
For the year ended March 31, 2017	(0.80)	0.80	(0.54)	1.06



**44 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Borrowings	100.89	743.95	436.00
Less : Cash and cash equivalent	(28.72)	(70.70)	(77.64)
Adjusted net debt (A)	72.18	673.25	358.35
Total equity (B)	4,594.57	3,988.05	3,288.99
Adjusted net debt to adjusted equity ratio (A/B)	1.57%	16.88%	10.90%



#### 45. First-time Adoption of Ind AS

The company has prepared its first Financial Statements in accordance with Ind AS for the year ended March 31, 2018. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is April 1, 2016 (the date of transition to Ind AS).

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet at April 1, 2016 (the Company's date of transition). According to Ind AS 101, the first Ind AS Financial Statements must use recognition and measurement principles that are based on standards and interpretations that are effective at March 31, 2018, the date of first-time preparation of Financial Statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS Financial Statements.

Any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of April 1, 2016 compared with those presented in the Indian GAAP Balance Sheet as of March 31, 2016, were recognized in equity under retained earnings within the Ind AS Balance Sheet.

An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

##### A) Exemption and exceptions availed

In the Ind AS Opening Balance Sheet as at April 1, 2016, the carrying amounts of assets and liabilities from the Indian GAAP as at 31 March 2016 are generally recognized and measured according to Ind AS in effect as on March 31, 2018. For certain individual cases, however, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has used the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet:

##### A.1 Ind AS optional exemptions

###### A.1.1 Property, plant and equipment & Intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

##### A.2 Ind AS mandatory exceptions

###### A.2.1 Estimates

The Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

###### A.2.2 Classification and measurement of financial assets

Ind AS 101 requires the company to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted on amortised cost basis on fact and circumstances existing as at the date of transition, if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Measurement of financial assets has been done retrospectively except where the same is impracticable.

###### A.2.3 Derecognition of financial assets and liabilities

As per Ind AS 101 an entity should apply derecognition requirements in Ind AS 109 prospectively for transaction occurring on or after the date of transition to Ind AS.



**B) Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

	Note	As at April 1, 2016			As at March 31, 2017		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
<b>Assets</b>							
<b>(1) Non-current assets</b>							
(a) Property, plant and equipment		17.38	-	17.38	18.39	-	18.39
(b) Other Intangible assets		94.90	-	94.90	102.70	-	102.70
(c) Financial assets		-	-	-	-	-	-
(i) Loans		0.25	-	0.25	0.25	-	0.25
(i) Other financial assets		-	-	-	-	-	-
(d) Deferred tax assets (Net)	d	8.50	619.22	627.72	7.74	582.82	590.56
(e) Non-current (tax) assets (Net)		-	17.76	17.76	-	17.76	17.76
(d) Other non-current assets		606.60	(606.60)	-	560.29	(560.20)	0.09
<b>Total non-current assets</b>		<b>727.63</b>	<b>30.38</b>	<b>758.01</b>	<b>689.37</b>	<b>40.38</b>	<b>729.75</b>
<b>(2) Current assets</b>							
(a) Inventories		138.49	-	138.49	115.69	-	115.69
(b) Financial assets		-	-	-	-	-	-
(i) Trade receivables	c	4,565.64	(75.39)	4,490.25	5,866.94	(102.02)	5,764.92
(ii) Cash and cash equivalents		77.64	-	77.64	70.70	-	70.70
(iii) Bank balances other than (ii) above		32.46	-	32.46	-	-	-
(iv) Loans		0.70	0.81	1.51	0.70	-	0.70
(v) Other financial assets		7.89	(0.81)	7.08	9.39	-	9.39
(c) Other current assets		31.25	0.01	31.26	67.27	-	67.27
<b>Total current assets</b>		<b>4,854.07</b>	<b>(75.38)</b>	<b>4,778.69</b>	<b>6,130.69</b>	<b>(102.02)</b>	<b>6,028.67</b>
<b>Total assets</b>		<b>5,581.70</b>	<b>(45.00)</b>	<b>5,536.70</b>	<b>6,820.06</b>	<b>(61.64)</b>	<b>6,758.42</b>

	Note	As at April 1, 2016			As at March 31, 2017		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
<b>Equity and liabilities</b>							
<b>Equity</b>							
(a) Equity Share capital		1.00	-	1.00	1.00	-	1.00
(b) Other equity	a & c	3,316.23	(28.24)	3,287.99	4,032.88	(45.83)	3,987.05
<b>Total equity</b>		<b>3,317.23</b>	<b>(28.24)</b>	<b>3,288.99</b>	<b>4,033.88</b>	<b>(45.83)</b>	<b>3,988.05</b>
<b>Liabilities</b>							
<b>(1) Non-current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings	a	66.85	(0.57)	66.28	56.03	(0.19)	55.84
(b) Provisions		31.60	-	31.60	39.17	-	39.17
<b>Total non-current liabilities</b>		<b>98.45</b>	<b>(0.57)</b>	<b>97.88</b>	<b>95.20</b>	<b>(0.19)</b>	<b>95.01</b>
<b>(2) Current liabilities</b>							
(a) Financial liabilities							
(i) Borrowings		329.13	-	329.13	565.54	34.34	599.88
(ii) Trade payables		930.00	481.92	1,411.92	1,144.02	447.21	1,591.23
(iii) Other financial liabilities		652.37	(483.11)	169.26	741.27	(483.16)	258.11
(b) Other current liabilities		64.21	(32.73)	31.48	51.65	(31.77)	19.88
(c) Provisions		0.63	-	0.63	0.66	-	0.66
(d) Current tax liabilities (net)		189.68	17.73	207.41	187.84	17.76	205.60
<b>Total current liabilities</b>		<b>2,166.02</b>	<b>(16.19)</b>	<b>2,149.83</b>	<b>2,690.98</b>	<b>(15.62)</b>	<b>2,675.36</b>
<b>Total equity and liabilities</b>		<b>5,581.70</b>	<b>(45.00)</b>	<b>5,536.70</b>	<b>6,820.06</b>	<b>(61.64)</b>	<b>6,758.42</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



## C) Reconciliation of total profit and loss income for the year ended March 31, 2017

	Note	Previous GAAP	Adjustments	Ind AS
<b>Income</b>				
Revenue from operations		3,748.23	(0.23)	3,748.00
Other income		9.35	0.24	9.59
<b>Total Income</b>		<b>3,757.58</b>	<b>0.01</b>	<b>3,757.59</b>
<b>Expenditure</b>				
Cost of materials consumed		869.31	394.89	1,264.20
Cost of services		882.28	(882.28)	-
Changes in inventories of finished goods and work-in-progress		(3.00)	0.00	(3.00)
Employee benefits expense	b	639.97	4.21	644.18
Finance expenses	a	106.92	(0.04)	106.88
Depreciation and amortization		22.25	0.00	22.25
Other expenses	c	272.59	515.01	787.60
<b>Total expenses</b>		<b>2,790.32</b>	<b>31.79</b>	<b>2,822.11</b>
<b>Profit before tax</b>		<b>967.26</b>	<b>(31.78)</b>	<b>935.48</b>
<b>Current tax</b>				
Current year	b	249.86	-	249.86
MAT		-	-	-
Deferred tax	d	0.76	(11.39)	(10.63)
Earlier years		-	-	-
<b>Total tax expense</b>		<b>250.62</b>	<b>(11.39)</b>	<b>239.23</b>
<b>Profit for the year</b>		<b>716.64</b>	<b>(20.39)</b>	<b>696.25</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurement of defined benefit plans	b	-	4.20	4.20
Income tax relating to remeasurement of defined benefit plans		-	(1.39)	(1.39)
<b>Total other comprehensive income for the year</b>			<b>2.81</b>	<b>2.81</b>
<b>Total comprehensive income for the year</b>		<b>716.64</b>	<b>(17.58)</b>	<b>699.06</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

## D) Reconciliation of total equity as at March 31, 2017 and April 1, 2016

	Note	As at March 31, 2017	As at April 1, 2016
Total equity (shareholder's funds) as per previous GAAP		4,033.88	3,317.23
<b>Adjustments:</b>			
Opening Ind AS adjustments		(28.24)	-
Recognition of financial liability at amortized cost	a	1.94	1.78
Unwinding of financial liability measured at amortized cost	a	(1.90)	-
Impairment of financial assets	c	(27.61)	(42.65)
Tax impact of above adjustments	d	9.98	12.63
<b>Total adjustments</b>		<b>(45.83)</b>	<b>(28.24)</b>
<b>Total equity as per Ind AS</b>		<b>3,988.05</b>	<b>3,288.99</b>

## E) Reconciliation of total comprehensive income for the year ended March 31, 2017

	Note	Year ended March 31, 2017
Profit after tax as per previous GAAP		716.64
<b>Adjustments:</b>		
Recognition of financial liability at amortized cost		1.94
Unwinding of financial liabilities at amortized cost	a	(1.90)
Actuarial loss on defined benefit plans recognised in Other comprehensive income	b	(4.20)
Impairment of financial assets	c	(27.61)
Deferred tax impact of above adjustments	d	11.39
<b>Total adjustments</b>		<b>(20.38)</b>
<b>Profit after tax as per Ind AS</b>		<b>696.26</b>
<b>Other comprehensive income (net of tax):</b>		
Actuarial loss on defined benefit plans (net of tax)	b	2.81
<b>Total comprehensive income as per Ind AS</b>		<b>699.07</b>



Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	h	(234.67)	-	(234.67)
Net cash flow from investing activities	h	5.16	-	5.16
Net cash flow from financing activities	h	222.57	-	222.57
Net increase/(decrease) in cash and cash equivalents		(6.94)	-	(6.94)
Cash and cash equivalents as at April 1, 2016		77.64	-	77.64
Cash and cash equivalents as at March 31, 2017		70.70	-	70.70

Notes to first-time adoption:

(a) Financial liabilities

Under Indian GAAP, liabilities pertaining to long term borrowings received from banks are recorded at cost. However, under Ind AS, liabilities in which the Company has a contractual obligation to deliver cash are classified as financial liabilities and recorded at amortized cost. The Company amortises upfront loan processing and finance charges over the expected life of the respective borrowings as required by Ind AS 109. The upfront benefit on transition date due to the discounting has been adjusted against the retained earnings. Further, interest cost on unwinding of discount has been charged off to the statement of profit or loss.

The impact of the above change is as follows:

Effect to Balance Sheet

(Decrease) in borrowings  
Increase in retained earnings

	As at March 31, 2017	As at April 1, 2016
(Decrease) in borrowings	(1.81)	(1.78)
Increase in retained earnings	1.81	1.78

Effect to Statement of profit and loss

Decrease in interest expense

Year ended March 31, 2017
(0.04)

(b) Employee benefits :

Both under Indian GAAP and Ind-AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit or loss. However, Under Ind-AS; remeasurements [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 in Other Comprehensive Income.

As a result, profit for the year ended March 31, 2017 decreased by Rs. 2.81 lacs (net of tax) with corresponding increase in Other comprehensive income during the year.

(c) Trade receivables :

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts.

The impact of the above change is as follows:

Effect to Balance Sheet

Increase in provision for expected credit losses on trade  
Decrease in retained earnings

	As at March 31, 2017	As at April 1, 2016
Increase in provision for expected credit losses on trade	70.26	42.65
Decrease in retained earnings	(70.26)	(42.65)

Effect to Statement of profit and loss

Increase in provision for expected credit losses on trade receivables

Year ended March 31, 2017
27.61

(d) Deferred taxes

The above changes increased (decreased) the deferred tax asset as follows based on a tax rate of 30.90% & 33.06% in financial year 2015-16 & 2016-17 respectively:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 "Income Taxes" requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

The above changes (decreased) the deferred tax asset as follows:

	Note	April 1, 2016	March 31, 2017
Impact of change in temporary differences between carrying amount and tax base of assets	c	13.18	10.05
Impact of change in temporary differences between carrying amount and tax base of liability	a	(0.55)	(0.05)
		12.63	10.00

(e) Property, plant and equipment and Intangible Assets

Under Previous GAAP cost of property, plant and equipment is recorded at historical cost, however under Ind AS, the Company has opted for deemed cost exemption at date of transition. Hence at the date of transition to Ind AS, property, plant and equipment has been measured at the carrying value as per previous GAAP.



(f) Other equity:

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

(g) Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Items that have been reclassified from statement of profit and loss to other comprehensive income includes remeasurement of defined benefit plans (net of tax). Hence, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(h) Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

46. Deferred tax asset (net)

A. Amounts recognised in profit or loss

	Year ended March 31, 2018	Year ended March 31, 2017
Current tax expense		
Current year	248.34	249.86
Adjustment for prior years		
	248.34	249.86
Deferred tax expense		
Change in recognised temporary differences	(32.02)	(10.63)
Total Tax Expense	216.32	239.23

B. Amounts recognised in Other Comprehensive Income

	Year ended March 31, 2018			Year ended March 31, 2017		
	Before tax	Tax (Expense)/ Income	Net of tax	Before tax	Tax (Expense)/ Income	Net of tax
Remeasurements of defined benefit liability	3.47	(0.97)	2.50	4.20	(1.39)	2.81
	3.47	(0.97)	2.50	4.20	(1.39)	2.81

C. Reconciliation of effective tax rate

	Year ended March 31, 2018		Year ended March 31, 2017	
	Rate	Amount	Rate	Amount
Profit before tax	27.55%	820.34	33.06%	935.48
Tax using the Company's domestic tax rate (A)	226.02		309.30	
Tax effect of:				
Non-deductible expenses		1.06		4.74
Non-taxable income		-		0.72
Tax incentives		(23.07)		(75.57)
Changes in rates related to prior years		(0.35)		(0.88)
Prior year errors/adjustment		12.67		0.92
Total (B)		(9.69)		(70.07)
(A)+(B)		216.32		239.23

D. Movement in deferred tax balances

	As at March 31, 2017	Recognized in P&L	Recognized in OCI	As at March 31, 2018
Deferred Tax Assets				
Employee benefits	13.17	1.36	(0.97)	13.57
Other current financial liabilities	5.43	(0.65)	-	4.78
Inventories	-	-	-	-
Trade receivables	23.23	34.58	-	57.81
Sub- Total (a)	41.83	35.29	(0.97)	76.16
Deferred Tax Liabilities				
Property, plant and equipment and intangibles	10.86	3.73	-	14.59
Non current borrowings	0.60	(0.45)	-	0.15
Sub- Total (b)	11.46	3.27	-	14.74
Net Deferred Tax Assets	30.37	32.02	(0.97)	61.42

Note: Deferred tax balance includes Rs. 509.77 lacs (March 31, 2017: Rs. 560.19 lacs ; April 1, 2016: Rs. 606.59 lacs) of Minimum Alternate tax credit entitlement.



	As at April 1, 2016	Recognized in P&L	Recognized in OCI	As at March 31, 2017
Deferred Tax Assets				
Employee benefits	9.96	4.60	(1.39)	13.17
Other current financial liabilities	5.41	0.02	-	5.43
Inventories	1.04	(1.04)	-	-
Trade receivables	13.18	10.05	-	23.23
Sub- Total (a)	29.59	13.63	(1.39)	41.83
Deferred Tax Liabilities				
Property, plant and equipment and intangibles	7.91	2.95	-	10.86
Non current borrowings	0.55	0.05	-	0.60
Sub- Total (b)	8.46	3.00	-	11.46
Net Deferred Tax Assets	21.13	10.63	(1.39)	30.37

47. Standards issued but not yet effective

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Ind AS 115: Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

48. These financial statements were authorized for issue by Board of Directors on May 23, 2018.

49. Previous year's figures have been regrouped / reclassified as per the current year's presentation for the purpose of comparability.

For Haribhakti & Co. LLP  
Chartered Accountants  
Firm registration No. 103523W/W100048

Raj Kumar Agarwal  
Partner  
Membership No.:074715

Place: New Delhi  
Date: May 23, 2018



For and on behalf of the Board of Directors of  
CL Media Private Limited

Gautam Puri  
Director  
DIN: 00033548

Place: New Delhi  
Date: May 23, 2018



Nikhil Mahajan  
Nikhil Mahajan  
Director  
DIN: 00033404

Place: New Delhi  
Date: May 23, 2018