S CHAND AND COMPANY LIMITED

Our Company was incorporated as 'S. Chand & Co. Private Limited' on September 9, 1970 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Delhi ("**RoC Delhi**"). Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956 and, the RoC Delhi certified our change of name to 'S. Chand & Co. Limited' on May 6, 1976 upon such conversion. Thereafter, pursuant to the approval of the Central Government dated April 30, 1986 under Section 43A(4) of the Companies Act, 1956, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S. Chand And Company Private Limited' was issued by the Registrar of Companies, NCT of Delhi and Haryana, at New Delhi ("**RoC**") on May 21, 1986. Subsequently, our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956 on October 3, 1988 and accordingly, upon such conversion, our name was changed to 'S. Chand And Company Limited'. Our Company, pursuant to a special resolution dated February 23, 2001, converted from a deemed public limited company under Section 43A(1) of the Companies Act, 1956 to a public limited company under Section 31 and Section 21 read with Section 44 of the Companies Act, 1956 and, upon such conversion, the RoC certified our change of name to 'S. Chand And Company Limited' on November 7, 2001. Pursuant to the approval of the Central Government dated August 8, 2012, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S Chand And Company Private Limited' was issued by the RoC on August 8, 2012. Our Company was converted into a public limited company under the Companies Act, 2013 and a certificate of incorporation certifying our change of name to S Chand And Company Limited was issued by the RoC on September 8, 2016. For further details, see "***History and Certain Corporate Matters***" on page 157.

Corporate Identity Number: U22219DL1970PLC005400; **Registered Office**: Ravindra Mansion, Ramnagar, New Delhi 110055, India; **Corporate Office**: A-27, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi 110 044, India; **Tel**: +91 11 6667 2000; **Fax**: +91 11 2367 7446; **Website**: www.schandgroup.com; **Contact Person**: Mr. Jagdeep Singh, Company Secretary and Compliance Officer; **E-mail**: investors@schandgroup.com

OUR PROMOTERS: MR. DINESH KUMAR JHUNJHNUWALA, MS. NEERJA JHUNJHNUWALA AND MR. HIMANSHU GUPTA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF S CHAND AND COMPANY LIMITED ("ISSUER" OR "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE"), AGGREGATING UP TO ₹ [●] MILLION CONSISTING OF A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,250 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 6,023,236 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"), COMPRISING UP TO 440,298 EQUITY SHARES BY MR. HIMANSHU GUPTA, UP TO 274,591 EQUITY SHARES BY MR. DINESH KUMAR JHUNJHNUWALA, UP TO 240,018 EQUITY SHARES BY MS. NEERJA JHUNJHNUWALA, (MR. HIMANSHU GUPTA, MR. DINESH KUMAR JHUNJHNUWALA AND MS. NEERJA JHUNJHNUWALA ARE COLLECTIVELY REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 74,841 EQUITY SHARES BY MS. NIRMALA GUPTA, UP TO 93,682 EQUITY SHARES BY MS. SAVITA GUPTA, UP TO 70,270 EQUITY SHARES BY MS. ANKITA GUPTA, UP TO 14,800 EQUITY SHARES BY MR. GAURAV KUMAR JHUNJHNUWALA (MS. NIRMALA GUPTA, MS. SAVITA GUPTA, MS. ANKITA GUPTA, AND MR. GAURAV KUMAR JHUNJHNUWALA ARE COLLECTIVELY REFERRED TO AS THE "OTHER SELLING SHAREHOLDERS"), UP TO 4,814,736 EQUITY SHARES BY EVERSTONE CAPITAL PARTNERS II LLC ("EVERSTONE" OR "INVESTOR SELLING SHAREHOLDER") (THE PROMOTER SELLING SHAREHOLDERS, THE OTHER SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDER ARE COLLECTIVELY REFERRED TO AS, THE "SELLING SHAREHOLDERS") THE OFFER SHALL CONSTITUTE AT LEAST [●]% OF THE FULLY DILUTED POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS, AND ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS AND ALL EDITIONS OF JANSATTA (WHICH ARE WIDELY CIRCULATED ENGLISH AND HINDI NEWSPAPERS, HINDI ALSO BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") (TOGETHER, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

In case of any revision in the Price Band, the Bid/Offer Period will be extended for a minimum of three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Member and the Registered Brokers, and by intimation to Self Certified Syndicate Banks ("**SCSBs**"), Collecting Depository Participants ("**CDP**"), and Registrar and Share Transfer Agents ("**RTA**").

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, ("**SCRR**") the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation, in accordance with the SEBI ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price.

All investors, other than Anchor Investors, are required to mandatorily utilise the Applications Supported by Blocked Amount ("**ASBA**") process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). For details, see "***Offer Procedure***" on page 508.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares, there is no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Offer Price is [●] times of the face value. The Offer Price, as determined by our Company and the Selling Shareholders in consultation with the BRLMs, and as stated in the section "***Basis for Offer Price***" on page 114 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section "***Risk Factors***" on page 16.

ISSUER'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Each of the Promoter Selling Shareholder and the Other Selling Shareholders, severally and not jointly, accepts responsibility only for the statements expressly made by such Selling Shareholder with respect to itself and the Equity Shares offered by it in the Offer for Sale and that such statements are true and correct in all material respects and not misleading in any material respect. The Investor Selling Shareholder accepts responsibility only for statements specifically made by it in this Red Herring Prospectus with respect to itself and the Equity Shares Offered by it in the Offer for Sale and that such statements are true, complete and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the BSE and NSE. We have received in-principle approvals from the BSE and NSE for listing of our Equity Shares pursuant to letters dated December 27, 2016 and January 2, 2017, respectively. For the purposes of the Offer, BSE Limited shall be the Designated Stock Exchange. A signed copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 598.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
JM Financial Institutional Securities Limited 7th Floor, Cnergy Building Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India Tel: +91 22 6630 3030 Fax: +91 22 6630 3330 E-mail: schand.ipo@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact Person: Ms. Prachee Dhuri SEBI Registration No.: INM000010361	**Axis Capital Limited** Axis House, 1st Floor, C-2 Wadia International Center P. B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: + 91 22 4325 2183 Fax: +91 22 4325 3000 E-mail: schand.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Mr. Ankit Bhatia SEBI Registration No.: INM000012029	**Credit Suisse Securities (India) Private Limited** 9th Floor, Ceejay House Plot F, Shivsagar Estate Dr. Annie Besant Road, Worli Mumbai 400 018 Maharashtra, India Tel: +91 22 6777 3777 Fax: +91 22 6777 3820 E-mail: list.projectkiado@credit-suisse.com Investor Grievance E-mail: list.igcellmer-bnkg@credit-suisse.com Website: www.credit-suisse.com Contact Person: Mr. Shashank Sinha SEBI Registration No.: INM 000011161	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400 083 Maharashtra, India Tel: +91 22 4918 6200 Fax: +91 22 4918 6195 E-mail: schand.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	**April 26, 2017[1)]**
BID/OFFER CLOSES ON	**April 28, 2017**

(1) Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise implies or requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to any statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, clarifications, modifications and replacements notified thereto as of the date of this Red Herring Prospectus. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

General Terms

Term	Description
"Company", "our Company" or "Issuer"	S Chand And Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Ravindra Mansion, Ramnagar, New Delhi 110055, India
we/us/our	Unless the context otherwise indicates or implies, our Company and its Subsidiaries, on a consolidated basis

Company and Selling Shareholders Related Terms

Term	Description
"Articles"/"Articles of Association"	The articles of association of our Company, as amended, from time to time
"Associate" or "ETIPL"	Edutor Technologies India Private Limited
Audit Committee	The audit committee of our Company as described in the section "***Our Management***" on page 186
"Auditors" or "Statutory Auditor"	S.R. Batliboi & Associates LLP, Chartered Accountants
BPI	BPI (India) Private Limited
Blackie	Blackie & Son (Calcutta) Private Limited
Board/Board of Directors	The board of directors of our Company including a duly constituted committee thereof
Chhaya	Chhaya Prakashani Private Limited and its subsidiaries on a consolidated basis
Chhaya's Consolidated Financial Statements	The summary of consolidated financial statements of Chhaya set forth in the accountants report dated March 29, 2017, issued by B. Chhawchharia & Co., containing Chhaya's consolidated statement of assets and liabilities as at December 31, 2016 and as at March 31, 2016, 2015, 2014, 2013 and 2012 and the statement of profit and loss for the nine month period ended December 31, 2016 and for the Fiscal ended March 31, 2016, 2015, 2014, 2013 and 2012
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company described in the section titled "***General Information***" on page 72
Corporate Office	The corporate office of our Company located at A-27, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi 110 044, India
DSDPL	DS Digital Private Limited
Director(s)	Director(s) on the Board, as appointed from time to time
EPHL	Eurasia Publishing House Private Limited
Equity Shares	Equity shares of our Company of face value of ₹ 5 each
ESOP 2012	ESOP Scheme 2012 of our Company
Everstone	Everstone Capital Partners II LLC
Group Companies	Companies as disclosed in the section titled "***Our Group Companies***" on page 199
IFC	International Finance Corporation
IPPCPL	Indian Progressive Publishing Co Private Limited
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the Listing Regulations
Investor Selling Shareholder	Everstone
"KMP" / "Key Management Personnel"	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations and certain of our Subsidiaries, as disclosed in the section titled "***Our Management***" on page 194

Term	Description
"Memorandum" / "Memorandum of Association"	The memorandum of association of our Company, as amended, from time to time
"Materiality Policy"	Policy on Group Companies, material creditors and material legal proceedings adopted by the Board pursuant to its resolution dated September 19, 2016
NSHPL	New Saraswati House (India) Private Limited
Nirja Publishers	Nirja Publishers & Printers Private Limited
Nomination and Remuneration and Committee	The nomination and remuneration committee of our Company as described in the section "***Our Management***" on page 188
Other Selling Shareholders	Ms. Nirmala Gupta, Ms. Savita Gupta, Ms. Ankita Gupta and Mr. Gaurav Kumar Jhunjhnuwala
PSPL	Publishing Services Private Limited
Proforma Financial Statements	The consolidated proforma financial information of our Company comprising the consolidated proforma balance sheet as at March 31, 2016 and the consolidated proforma statement of profit and loss for the Fiscal ended March 31, 2016 and for the nine months ended December 31, 2016, read with the notes thereto, has been prepared in accordance with the requirements of paragraph 23 of item (IX)(B) of Schedule VIII of the SEBI ICDR Regulations prepared to reflect, the impact of a material acquisition, *i.e.* of Chhaya Prakashani Private Limited by our Company. This materiality has been determined based upon unconsolidated financial statements of our Company
Promoters	Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala and Mr. Himanshu Gupta
Promoters' Contribution	Pursuant to Regulation 32 and 36(a) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoters which shall be considered as the minimum promoters' contribution and shall be locked-in for a period of three years from the date of Allotment
Promoter Group	Following persons and entities which constitute the promoter group of our Company pursuant to Regulation 2 (1)(zb) of the SEBI ICDR Regulations: (i) Mr. Himanshu Gupta; (ii) Ms. Neerja Jhunjhnuwala; (iii) Mr. Dinesh Kumar Jhunjhnuwala; (iv) Ms. Savita Gupta; (v) Mr. Ravindra Kumar Gupta; (vi) Ms. Ankita Gupta; (vii) Mr. Aaryan Gupta; (viii) Ms. Rasika Gupta; (ix) Ms. Aanandini Gupta; (x) Ms. Rajul Bafna; (xi) Ms. Laxmi Niwas Jhunjhnuwala; (xii) Mr. Gaurav Kumar Jhunjhnuwala; (xiii) Ms. Nandita Sureka; (xiv) Ms. Nirmala Gupta; (xv) Mr. Sudesh Kumar Jhunjhnuwala; (xvi) Mr. Arun Kumar Jhunjhnuwala; (xvii) Mr. Anil Kumar Jhunjhnuwala; (xviii) Mr. Manoj Kumar Jhunjhnuwala; (xix) Ms. Sushila Mittal; (xx) Shaara Hospitalities Private Limited; (xxi) S Chand Hotels Private Limited; (xxii) Parampara Constructions Private Limited; (xxiii) Funtree Hotels & Consulting Private Limited; (xxiv) Amenity Sports Academy Private Limited; (xxv) SC Hotel Tourist Deluxe Private Limited; (xxvi) RKG Hospitalities Pvt. Ltd.; (xxvii) RKG Sports Private Limited; (xxviii) HMR Sports Ventures Private Limited; (xxix) S Chand Properties Private Limited; (xxx) Sudima Impex (India) Private Limited; (xxxi) Sudima Time Limited; (xxxii) Forewell Limited; (xxxiii) Radius Global Communications Limited; (xxxiv) Sudima International PTE Ltd.; (xxxv) Fortune Holding Limited; (xxxvi) Evengrand Limited; (xxxvii) Surefame Limited; (xxxviii) Sam Holdings Limited; (xxxix) Vijay Investment Limited (xl) Citius spaces Pvt Ltd; (xli) Cupid Spaces Pvt Ltd; (xlii) Gillard Properties Pvt.Ltd; (xliii) Siesma Estates Pvt. Ltd.; (xliv) Golf Worx Ventures Private Limited; (xlv) Massco Media Pvt Ltd; (xlvi) Unichand Builders Pvt Ltd; (xlvii) Bullfinch Holding Limited; (xlviii) Hind International Investment Limited; (xlix) Compton Properties Limited; (l) Florencia Properties Limited; (li) Glamorton Developments Limited; (lii) Hind Management (NZ) Limited; (liii) Glencott Properties PTY Ltd.; (liv) Hind Properties Limited; (lv) Raasha Leisure & Entertainment LLP; (lvi) Hotel Tourist; (lvii) BD Sureka (HUF); (lviii) Arun Kumar Sureka (HUF); (lix) Prateek Sureka (HUF); (lx) Aditdev Builders LLP; (lxi) Christchurch Hospitality LLP; (lxii) M.G. Mittal Constructions LLP; (lxiii) M.U. Landscapes LLP; (lxiv) Mittal Beauty LLP; (lxv) Pushpa Projects LLP; (lxvi) T.D. Mittal Builders LLP; (lxvii) Vedaang Builders LLP; (lxviii) Aditdev Traders LLP; (lxix) Mittal Universal Constructions LLP; (lxx) Mittal Universal Projects LLP; (lxxi) Geeta Construction Co.; (lxxii) M.G.M. Construction Company; (lxxiii) Niraj Corporation; and (lxxiv) Nickun International Limited
Promoter Selling Shareholders	Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala and Mr. Himanshu Gupta
Registered Office	The registered office of our Company located at Ravindra Mansion, Ramnagar, New Delhi 110055, India
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company, our Subsidiaries, our joint venture and our Associate which comprises the restated consolidated balance sheet, the restated

Term	Description
	consolidated profit and loss information and the restated consolidated cash flow information as at and for the nine months period ended December 31, 2016 and financial years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, together with the annexures and notes thereto, which have been prepared from the audited consolidated financial statements in accordance with the Companies Act, the Indian GAAP and restated in accordance with the SEBI ICDR Regulations
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Unconsolidated Financial Statements.
Restated Unconsolidated Financial Statements	The restated unconsolidated financial information of our Company which comprises the restated unconsolidated balance sheet, the restated unconsolidated profit and loss and the restated unconsolidated cash flow information as at and for the nine months period ended December 31, 2016 and financial years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, together with the annexures and notes thereto, which have been prepared from the audited unconsolidated financial statements in accordance with the Companies Act, the Indian GAAP and restated in accordance with the SEBI ICDR Regulations
SLPL	Smartivity Labs Private Limited
Selling Shareholders	Collectively, the Promoter Selling Shareholders, the Other Selling Shareholders and the Investor Selling Shareholder
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company as described in the section "***Our Management***" on page 189
Safari Digital	Safari Digital Education Initiatives Private Limited
"Subsidiary" / "Subsidiaries"	Subsidiaries of our Company (including any step-down subsidiary) as set out in the section "***Our Subsidiaries***" on page 172
VPHPL	Vikas Publishing House Private Limited

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
"Allotment" / "Allot" / "Allotted"	Unless the context otherwise requires, the allotment of the Equity Shares to successful Bidders pursuant to the Fresh Issue and the transfer of the Equity Shares to successful Bidders pursuant to the Offer for Sale
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Anchor Investor(s)	A Qualified Institutional Buyer applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price, decided by the Company and the Selling Shareholders in consultation with the BRLMs, at which Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company and the Selling Shareholders, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
"Applications Supported by Blocked Amount" / "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Accounts
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA

Term	Description
	Bidders for blocking the Bid Amount specified in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	All Bidders other than Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to make Bids, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders, under the Offer and which is described in "***Offer Procedure – Allotment Procedure and Basis of Allotment***" on page 540
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of the Bid indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account, as the case may be, upon submission of the Bid in the Offer
Bid/Offer Closing Date	Except in relation to Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids for the Offer, which shall also be notified in Financial Express, an English national newspaper and Jansatta, a Hindi national newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation
Bid/Offer Opening Date	Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries, shall start accepting Bids for the Offer, which shall also be notified in Financial Express, an English national newspaper and Jansatta, a Hindi national newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to Bids received from the Anchor Investors, the period from and including the Bid/Offer Opening Date to and including the Bid/Offer Closing Date during which Bidders can submit their Bids, including any revisions thereto. The Bid/Offer Period will comprise Working Days only
Bid Lot	[●] Equity Shares
Bid cum Application Form	The Anchor Investor Application Form or ASBA Form, as the context requires
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form. Unless, otherwise stated or implied, the term "Bidder" shall be deemed to include an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. The term "Bidding Centre" shall be construed accordingly
Book Building Process	The book building process as described in Part A, Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
BRLMs/Book Running Lead Managers/Managers	The book running lead managers, being JM Financial Institutional Securities Limited ("**JM Financial**"), Axis Capital Limited ("**Axis**"), and Credit Suisse Securities (India) Private Limited ("**Credit Suisse**")
Broker Centre	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and details of which are available on the websites of the Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof
Cash Escrow Agreement	The agreement entered into on April 7, 2017 amongst our Company, the Registrar to the Offer, the BRLMs, the Selling Shareholders, the Escrow Collection Bank, the Public Offer Bank, and the Refund Bank for collection of the Bid Amounts from Anchor Investors and, where applicable, refunds of the amounts collected from Anchor Investors on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collecting Depository	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and

Term	Description
Participant or CDP	who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cut off Price	The Offer Price, as finalised by our Company and the Selling Shareholders in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors whose Bid Amount does not exceed ₹ 200,000 are entitled to Bid at the Cut off Price. No other category of Bidders is entitled to Bid at the Cut off Price
Demographic Details	Details of the Bidders such as their respective addresses, occupation, PAN, MICR Code and bank account details
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC
Designated Intermediaries /Collecting Agent	Collectively, the members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, the CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus/ DRHP	The draft red herring prospectus dated December 16, 2016, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the Offer Price at which the Equity Shares will be Allotted and the size of the Offer
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Escrow Accounts	Accounts opened with the Escrow Collection Bank in whose favour Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	The bank which is a clearing member and registered with SEBI, with whom the Escrow Account(s) will be opened, being HDFC Bank Limited
First/Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	The issue of [●] Equity Shares aggregating up to ₹ 3,250 million offered for subscription by our Company pursuant to this Red Herring Prospectus
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in ***"Offer Procedure"*** on page 517

Term	Description
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, on a proportionate basis
Net Proceeds	Proceeds of the Offer that will be available to our Company, which shall be the gross proceeds of the Offer less the proceeds of the Offer for Sale and the Fresh Issue related expenses. For further information about use of the Net Proceeds and the Offer expenses, see section titled "***Objects of the Offer***" on page 100
Non-Institutional Investors	All Bidders, including Category III FPIs registered with SEBI, that are not QIBs or Retail Individual Investors who have Bid for Equity Shares for an amount of more than ₹ 200,000, (but excluding NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being not less than 15% of the Offer available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Offer	Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million consisting of a fresh issue of [●] Equity Shares aggregating up to ₹ 3,250 million and an Offer for Sale of up to 6,023,236 Equity Shares by the Selling Shareholders aggregating up to ₹ [●] million, pursuant to this Red Herring Prospectus
Offer Agreement	The agreement entered into on December 16, 2016 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to Regulation 5(5) of the SEBI ICDR Regulations and under which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 6,023,236 Equity Shares aggregating up to ₹ [●] million, consisting of the offer of up to 440,298 Equity Shares by Mr. Himanshu Gupta, up to 274,591 Equity Shares by Mr. Dinesh Kumar Jhunjhnuwala, up to 240,018 Equity Shares by Ms. Neerja Jhunjhnuwala, up to 74,841 Equity Shares by Ms. Nirmala Gupta, up to 93,682 Equity Shares by Ms. Savita Gupta, up to 70,270 Equity Shares by Ms. Ankita Gupta, up to 14,800 Equity Shares by Mr. Gaurav Kumar Jhunjhnuwala and up to 4,814,736 Equity Shares by Everstone, pursuant to this Red Herring Prospectus
Offer Price	The final price at which the Equity Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs on the Pricing Date and advertised in Financial Express, an English national newspaper and Jansatta, a Hindi national newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation at least five Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading on their website
Offer Proceeds	The proceeds of the Offer that is available to our Company and the Selling Shareholders
Offered Shares	Equity Shares offered through the Offer for Sale
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and will be advertised in Financial Express, an English national newspaper and Jansatta, a Hindi national newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Selling Shareholders in consultation with the BRLMs, shall finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	An account opened in accordance with the provisions of the Companies Act, 2013, with the Public Offer Bank to receive monies from the Escrow Accounts and from the ASBA Accounts on the Designated Date
Public Offer Bank	The bank(s) with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being HDFC Bank Limited
"Qualified Institutional Buyers" or "QIBs" or	A qualified institutional buyer, as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations

Term	Description
"QIB Bidders"	
QIB Category	The portion of the Offer (including the Anchor Investor Portion) being 50% of the Offer which shall be Allotted to QIBs, including the Anchor Investors (in which allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholders, in consultation with the BRLMs)
Red Herring Prospectus or RHP	This red herring prospectus that will be issued in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations, which does not have complete particulars, including the price at which the Equity Shares will be offered, which shall be issued and filed with RoC at least 3 (three) Working Days before Bid/Offer Opening Date including any addenda or corrigenda thereto
Refund Account	The account opened with the Refund Bank, from which refunds to the Anchor Investors, if any, of the whole or part of the Bid Amount shall be made
Refund Bank	The bank which is a clearing member registered with SEBI with whom the Refund Account will be opened and in this case being HDFC Bank Limited
Registered Broker	Stock brokers registered with the Stock Exchanges having terminals in any of the Broker Centres other than the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar Agreement	The agreement dated December 12, 2016 entered into between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar" / "Registrar to the Offer"	Link Intime India Private Limited
Retail Category	The portion of the Offer being not less than 35% of the Offer available for allocation to Retail Individual Investor(s) in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Retail Individual Investors	Individual Bidders (including HUFs applying through their *karta* and Eligible NRIs) who have not submitted a Bid for Equity Shares for a Bid Amount of more than ₹ 200,000 in any of the Bidding options in the Offer
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
RoC	Registrar of Companies, NCT of Delhi and Haryana, at New Delhi
RoC Delhi	Registrar of Companies, Delhi
Self Certified Syndicate Bank(s) or SCSB(s)	Banks which are registered with SEBI, which offer the facility of ASBA, a list of which is available on the website of the SEBI at www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agreement	The agreement entered into on April 7, 2017 amongst our Company, the Share Escrow Agent and the Selling Shareholders in connection with the transfer of Equity Shares under the Offer for Sale by such Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms
Stock Exchanges	BSE and NSE
Syndicate or members of the Syndicate	The BRLMs and the Syndicate Member
Sub Syndicate	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Member, to collect Bid cum Application Forms
Syndicate Agreement	The agreement dated April 10, 2017 entered into between the BRLMs, the Syndicate Member, our Company, the Selling Shareholders and Registrar to the Offer in relation to the collection of Bid cum Application Forms by Syndicate Member
Syndicate Member	Intermediaries, registered with SEBI who are permitted to carry out activities as an underwriter, in this case being, JM Financial Services Limited
Underwriters	Intermediaries registered with the SEBI and permitted to carry out activities as an Underwriter, in this case being the members of the Syndicate
Underwriting Agreement	The agreement to be entered into amongst the Underwriters, our Company and the Selling

Term	Description
	Shareholders on or after the Pricing Date
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business, provided however, for the purpose of the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Conventional or general terms and abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the AIF Regulations
AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment year
BPLR	Benchmark prime lending rate
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate which is computed as CAGR = (ending value/starting value) $^{(1/\text{number of years})}$ -1
"Calendar Year"/ "year"	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
"Category III Foreign Portfolio Investors" or "Category III FPIs"	FPIs who are registered as "Category III foreign portfolio investors" under the FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CFO	Chief Financial Officer
CODM	Chief Operating Decision Maker
Combination Regulations	Provisions under the Competition Act, 2002 in relation to combinations
Companies Act	Companies Act, 2013 and the rules thereunder, to the extent notified, and/or the Companies Act, 1956 and the rules thereunder, to the extent not repealed, as the context may require
Companies Act, 1956	Companies Act, 1956 and the rules and clarifications thereunder, to the extent not repealed
Companies Act, 2013	Companies Act, 2013 and the rules and clarifications thereunder, to the extent notified
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996
Depository	NSDL and CDSL
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, GoI
"DP"/ "Depository Participant"	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's identity number
DTC	Draft Direct Taxes Code, 2013
ECB	External commercial borrowing
EGM	Extraordinary general meeting
EPF	Employee Provident Fund Act, 1952
EPS	Earnings per share (as calculated in accordance with AS-20)
Executive Director	An executive Director as per the Companies Act, 2013 and the Listing Regulations
FCNR	Foreign Currency Non-Resident
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign institutional investors, as defined under the FPI Regulations
"Financial Year" / "Fiscal" / "FY" / "F.Y."	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which

Term	Description
	are deemed to be foreign portfolio investors
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Finance Act	Finance Act, 1994
FIPB	Foreign Investment Promotion Board
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
GAAR	General Anti-Avoidance Rule
GDP	Gross domestic product
GIR Number	General index registration number
GoI or Central Government	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IND AS	Indian Accounting Standards
INR	Indian National Rupees
IPO Committee	The IPO committee of our Company as described in the section "***Our Management***" on page 190
IRDA	Insurance Regulatory and Development Authority
I.T. Act	The Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
Indian GAAP	Accounting principles generally accepted in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
IPR	Intellectual Property Rights
IPO	Initial public offering
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
MAT	Minimum alternate tax
MCA	Ministry of Corporate Affairs, GoI
MICR	Magnetic ink character recognition
"Mn" / "mn"	Million
MOEF	Ministry of Environment and Forests, GoI
Mutual Funds	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A.	Not applicable
NAV	Net asset value per share being Net Worth at the end of period / year excluding preference share capital and cumulative preference dividend divided by total number of equity shares outstanding at the end of the period/year
NCT	National Capital Territory
NACH	National Automated Clearing House
NEFT	National electronic fund transfer
Negotiable Instruments Act	Negotiable Instruments Act, 1881
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve and capital reserves) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No objection certificate
Non-Executive Director	A non-executive, non-independent Director as per the Companies Act, 2013 and the Listing Regulations
Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2000
"NRI" / "Non-Resident Indian"	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit)

Term	Description
	Regulations, 2000
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" / "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
EBITDA	Earnings before interest, tax, depreciation and amortisation, calculated as profit / (loss) for the period excluding depreciation and amortization expense, finance cost, finance income and tax expenses
p.a.	Per annum
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit After Tax
PBT	Profit Before Tax
PLR	Prime lending rate
PSUs	Public Sector Undertakings (government-owned corporations)
QFI	Qualified foreign investor, as defined under the FPI Regulations
R&D	Research and development
RBI	Reserve Bank of India
RONW	Return on net worth
"Rs." / "Rupees" / "₹"	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SOCIE	Statement of changes in equity
SPPI	Solely the payments of principal and interest
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Ton	1,000 pounds
US/USA	United States of America, as defined in Regulation S under the Securities Act
"USD" or "$" or "US $"	United States Dollar
US GAAP	Generally accepted accounting principles in the US
U.S. Person	As defined in Regulation S under the Securities Act
U.S. QIBs	Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with SEBI under the VCF Regulations
VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
y-o-y	Year on year

Unless the context otherwise requires, the words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "***Outstanding Litigation and Material Developments***", "***Main Provisions of our Articles of Association***", "***Statement of Tax Benefits***" and "***Financial Statements***" on pages 469, 551, 117 and 208, respectively, shall have the meanings given to such terms in these respective sections.

Industry related terms

Term	Description
CBSE	Central Board of Secondary Education
CBSE Circulars	Circulars issued by CBSE dated April 12, 2016 and July 20, 2015
CISCE or ICSE	The Council for the Indian School Certificate Examination
DISE	The District Information System for Education
GER	Gross Enrollment Ration
GDP	Gross Domestic Product
IMF	The International Monetary Fund
LMS	Learning Management System
MHRD	The Indian Ministry of Human Resource Development, Government of India
NCERT	The National Council of Educational Research and Training
NEUPA	The National University of Educational Planning and Administration
Nielsen	Nielsen (India) Private Limited
Nielsen Research Report	Report dated December, 2016 by Nielsen (India) Private Limited titled "The Indian Educational Publishing Industry"
RTE Act	The Right to Education Act
SCERT	The State Council of Educational Research and Training
Technopak	Technopak Advisors Private Limited
Technopak Research Report	Report dated December 7, 2016 by Technopak Adivsors Private Limited titled "Technopak Research Report"

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" contained in this Red Herring Prospectus are to the Republic of India and all references to the "U.S." are to the United States of America.

Financial Data

Unless the context requires otherwise, the financial data in this Red Herring Prospectus is derived from our Restated Financial Statements. Our Company's Financial Year commences on April 1, and ends on March 31 of the following year. In addition, the Proforma Financial Statements, as required under the SEBI ICDR Regulations in relation to the acquisition of Chhaya, in which we acquired control with effect from December 5, 2016, is included in this Red Herring Prospectus. Further, as required under the SEBI ICDR Regulations and in relation to one of the objects of the Fresh Issue, certain financial information about Chhaya (including its audited profit and loss account for Fiscal Years 2012, 2013, 2014, 2015 and 2016 and its audited balance sheet as at March 31, 2012, 2013, 2014, 2015 and 2016) has also been included in this Red Herring Prospectus.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Statements included in this Red Herring Prospectus will provide meaningful information is dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Our Company will be required to prepare financial statements under Indian Accounting Standards ("**IND AS**") for accounting periods beginning on or after April 1, 2017 (with comparatives for the period ending March 31, 2017). The transition to IND AS in India is very recent and we cannot assure you the impact of such transition on our Company. Our failure to successfully adopt IND AS may have an adverse effect on the price of our Equity Shares. For details, see "***Risk Factors – Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind (AS) and IFRS, which may be material to investors' assessments of our financial condition***" on page 39 and the section "***Summary Of Significant Differences Between Indian GAAP And Ind AS***" on page 463.

Any percentage amounts, as set forth in the sections "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16, 134 and 418, respectively, and elsewhere in this Red Herring Prospectus, unless the context requires otherwise or indicated otherwise, have been calculated on the basis of our Restated Consolidated Financial Statements.

Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Currency and units of presentation

All references to:

- "Rupees" or "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India.
- "US Dollars" or "US$" or "USD" are to United States Dollars, the official currency of the United States of America.

In this Red Herring Prospectus, our Company has presented certain numerical information in "million" units. One million represents 1,000,000.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that the industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by our Company, the Selling Shareholders, the Syndicate or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purpose of presentation. Data from these sources may also not be comparable.

Information has been included in this Red Herring Prospectus based on reports published by Nielsen (India) Private Limited, titled "The Indian Educational Publishing Industry" (the "**Nielsen Research Report**") and Technopak Advisors Private Limited titled "Technopak Research Report" (the "**Technopak Research Report**") commissioned by us, as well as publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources and includes the following disclaimer:

"*Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor any of the Book Running Lead Managers or any of their respective advisors, and should not be relied on as if it had been so verified.*"

Further, the extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "***Risk Factors***" on page 16. Accordingly, investment decisions should not be based on such information.

Exchange Rates

This Red Herring Prospectus contains conversions of US$ and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of the respective foreign currencies are provided below:

(in ₹)

Currency	As of December 31, 2016	As of March 31, 2016	As of March 31, 2015	As of March 31, 2014	As of March 31, 2013	As of March 31, 2012
1 USD	67.95	66.33	62.59	60.10	54.39	51.16

Source: www.rbi.org.in

Note: In the event that any of the abovementioned date of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain forward-looking statements. All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "project", "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. However, these are not the exclusive means of identifying forward-looking statements. All forward-looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward looking statements reflect our current views with respect to future events as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- failure to compete effectively in a highly competitive and fragmented industry;
- loss of all or any of our top authors;
- inability to complete, or achieve the expected benefits from, current or future investments or acquisitions
- failure to effectively implement our business and growth strategies;
- changes in technology and the introduction of new technology in the digital education market;
- negative publicity or other harm to our brands;
- disruption of our printing facilities or raw materials supplies; and
- increases in the cost of raw material, in particular paper.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 16, 134 and 418, respectively.

Only respective statements and undertakings which are specifically "confirmed" or "undertaken" by the Selling Shareholders in this Red Herring Prospectus shall be deemed to be "statements and undertakings made by the Selling Shareholders". All other statements and/or undertakings in this Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Selling Shareholders, the Directors, the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying

assumptions do not come to fruition. In accordance with the SEBI requirements, our Company, in relation to the statements and undertakings specifically confirmed by it, respectively in this Red Herring Prospectus, will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges. The Selling Shareholders, severally and not jointly, will ensure that investors are informed of material developments in relation to statements and undertakings made by the respective Selling Shareholder in this Red Herring Prospectus and as will be disclosed in this Red Herring Prospectus and the Prospectus in relation to itself and the respective portion of the Offered Shares until the time of grant of listing and trading permission by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company may be required to undertake an annual updating of the disclosures made in this Red Herring Prospectus and make it publicly accessible in the manner specified by SEBI.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us, the Equity Shares, the industry in which we operate or the regions in which we operate, particularly India. If any one or some combination of the following risks or other risks which are not currently known or are now deemed immaterial actually occurs or were to occur, our business, results of operations, cash flows, financial condition and prospects could suffer and the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

We have described the risks and uncertainties that our management believes are material but the risks set out in this Red Herring Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. Prospective investors should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this offer. To obtain a complete understanding of our business, you should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation", and our financial statements.

Prospective investors should pay particular attention to the fact that the companies that compose S Chand And Company Limited are incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

*This Red Herring Prospectus also contains forward-looking statements, which refer to future events that involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. For further details, see the section entitled "**Forward Looking Statements**" on page 14.*

*Unless otherwise stated the financial information of S Chand And Company Limited and its subsidiaries used in this section has been derived from the Restated Consolidated Financial Statements and are included in the section entitled "**Financial Statements**" on page 207. Our acquisition of 74% of the share capital of Chhaya Prakashani Private Limited was completed on December 5, 2016. We have consolidated the financial statements of Chhaya as at December 31, 2016 and for the period from December 6, 2016 to December 31, 2016 in our Restated Consolidated Financial Statements for the nine months period ended December 31, 2016. The financial statements of Chhaya have not been consolidated in our Restated Consolidated Financial Statements for Fiscal 2016 or any prior Fiscal Year. In addition, all statistics set forth in this section do not include Chhaya, unless otherwise indicated.*

In this section, references to "we" and "our" are to S Chand And Company Limited and its Subsidiaries on a consolidated basis and references to Chhaya are to Chhaya Prakashani Private Limited and its subsidiaries on a consolidated basis.

Internal Risk Factors

1. The high degree of seasonality of our K-12 business materially affects operating revenue, margins and cash flow from quarter to quarter.

Our business and the newly acquired business of Chhaya is linked to the academic cycle, and is, therefore, seasonal. In the K-12 segment, our sales season has traditionally been in the fourth quarter of the financial year. Chhaya's sales season has traditionally been across first and fourth quarters of the financial year with the main sales season starting in December.

In addition, the working capital cycle for print content in the CBSE/ICSE K-12 education industry tends to be unduly high at the fiscal year end on account of high sales in the last quarter, which then tapers down in

subsequent quarters.

Our sales seasonality in our K-12 segment materially affects operating revenue, margins and cash flows from quarter to quarter. Accordingly, as per our management estimates, our operating revenues and margins during the first three Fiscal quarters have typically been lower, compared to the fourth Fiscal quarter. There also are months when we operate at a net cash deficit from our activities. Our results of operations for each of the first three quarters of a Fiscal year and for the first nine months of a Fiscal year typically have shown a loss. In addition, our quarter-on-quarter data regarding our operating revenue, margins and cash flows may not be comparable for any future Fiscal quarters. Further, we can make no assurance that our fourth quarter net sales in future fiscal years will continue to be sufficient to meet our obligations or that our fourth quarter net sales will be higher than net sales for our other quarters or that we will make a profit in the fourth quarter. These factors may make it difficult for us to prepare accurate internal financial forecasts. Lower than expected net sales in the fourth quarter of a given financial year could have a material adverse effect on our business, results of operations and financial condition.

2. We operate in a highly-competitive and fragmented industry, and our business, results of operations and financial condition may be adversely affected if we are not able to compete effectively.

The Indian market for education content is highly competitive and fragmented. The Indian market is composed of multiple boards, including the state education boards, the Central Board of Secondary Education ("**CBSE**"), and the Indian Certificate of Secondary Education ("**ICSE**"), each of which is governed by a separate body with a separate syllabus. There are only a few large, established industry participants similar to us, as the market is characterized by smaller regional, state and local content providers as well as specialized content providers for particular subjects or course material. Content providers' expertise amongst certain boards often vary. For example, we have expertise in publishing education material predominantly used by schools affiliated with the CBSE/ICSE boards and regional state boards. Many of the content providers have strong brand recognition in their markets and long term relationships with schools, school authorities and educational authorities. Further, we also face competition from the National Council of Educational Research and Training ("**NCERT**") and the State Council of Educational Research and Training ("**SCERT**"), which publish books for the K-12 market at subsidized costs. The multitude of players, brands and various sizes of competitors makes it difficult to build national brands and requires a dedicated local sales team to compete effectively. Additionally, intense competition may require us to price our products competitively and provide purchasing incentives to our customers. Failure to do so may result in the reduction of our market share and sales. Some of our competitors and potential competitors, which are internationally recognized brands, may have widespread brand recognition and substantially greater financial, selling and marketing capabilities than we do. Others may develop products that differ from our print content and educational solutions with lower prices and content preferred by schools and educational service providers. In addition, competitors may offer print content and educational materials at prices designed to promote market penetration. While we offer certain incentives such as volume linked discounts, our competitors may offer additional incentives, which could force us to lower our prices and adversely affect our profitability.

The demand by K-12 schools on education content companies to become more effective in content delivery has induced established technology companies, multi-national companies and start-up companies to enter the digital educational solutions sector. Such companies have the advantage of not needing to transition from a print business to a digital business, with the ability to leverage their prior experience in such sector. Risks of competition are intensified due to the rapid changes in the products offered by our competitors and the products sought out by our customers, which could result in reduced demand for our services and products, increased expenses, reduced margins and significant shift in market share.

Our future success depends on our ability to compete effectively, including by distinguishing our products, content or services from our competitors, by expanding our brands and titles, by providing higher quality content, expanding our distribution, sales and marketing forces, or by expanding our portfolio of digital products and educational services. We cannot assure you that we will be able to sufficiently and promptly respond to changes in customer preferences and other competitive pressures in the future, nor can we assure you that we will be able to maintain or increase our existing market share. We may also be unable to increase cost efficiencies sufficiently, or at all, and as a result, our net earnings and cash flows could be negatively impacted

by such price competition. If we are unable to compete successfully against our existing or new competitors, our business, results of operations and financial condition may be materially adversely affected.

3. ***For the past two years, CBSE has issued an advisory circular advising CBSE schools to use only NCERT print content for all classes and may issue similar advisory circulars in the future. These circulars may reduce demand for our educational content amongst the CBSE affiliated schools and, accordingly, may adversely affect our business, results of operations, cash flows and financial condition.***

The CBSE has issued circulars, dated April 12, 2016 and July 20, 2015 (together the "**CBSE Circulars**"), recommending that schools affiliated to CBSE use only NCERT print content for all classes, since all the schools affiliated with the CBSE follow the syllabi prescribed by the NCERT up to K-8 and syllabi prescribed by the CBSE from 9th grade to 12th grade. Further, the CBSE Circulars also recommended that schools affiliated to the CBSE should avoid insisting that students purchase additional print content from private content providers. CBSE issued the CBSE Circulars in response to reports and complaints from parents that schools were recommending them to buy print content published by private companies. We can make no assurance that the CBSE will not issue circulars similar to the CBSE Circulars in future years. The CBSE Circulars and any similar circulars in the future may reduce demand for our educational content amongst the CBSE affiliated schools and, accordingly, may adversely affect our business, results of operation, cash flows and financial condition. For example, in a letter dated April 1, 2017 sent by a regional officer of the CBSE to CBSE affiliated schools covered in the Dehradun region, the officer emphasized that schools use NCERT textbooks to the maximum possible extent and that compliance with applicable bye-laws of CBSE would be monitored.

For further information on the CBSE Circulars, see "***Key Industrial Regulations and Policies in India-Circulars issued by the CBSE***" on page 153.

In addition to the CBSE Circulars, in a judgment, dated April 9, 2013, the High Court of Punjab and Haryana at Chandigarh addressed the issue of schools prescribing print content from private content providers. The judgement held that an attempt should be made by schools to prescribe print content published by NCERT where available; however, due to the lack of a statutory regime obligating private schools to prescribe only NCERT print content, the court declined to give any further direction in this regard. The court suggested exploring and instituting a regulatory mechanism that would regulate the prices of prescribed books purchased from private content providers. Any such price regulation or other legal restrictions on the use of our print content at schools would adversely affect our business, results of operations and financial condition.

4. ***A significant portion of our revenues are derived from titles of our top authors. The loss of all or any of our top authors could adversely affect our business, results of operation, cash flows and financial condition.***

While we have an in-house content development team, a significant portion of our revenues are derived from our top twenty authors. This concentration of revenues could potentially place us at a disadvantage with respect to negotiations regarding payment of royalties and other terms. In addition, this concentration increases the risk that the loss of, or problems with, a single author could have significant effect on our sales and profitability. In Fiscal 2016, our top twenty authors (in terms of revenue) contributed to approximately 48.94% of our total consolidated revenues from operations. The loss of such authors could adversely affect our business, results of operation, cash flows and financial condition. For further details in the outstanding proceeding involving such key authors, see "***Outstanding Litigation and Material Developments***" on page 469.

5. ***We may not be able to complete, or achieve the expected benefits from, current or future investments or acquisitions which could materially adversely affect our business, results of operation, cash flows and financial condition.***

We have used acquisitions as a means of increasing our product portfolio and presence, expanding our business and market-share and expect that we will continue to do so. As recent examples of our acquisitions, since Fiscal 2013, we have acquired full ownership of VPHPL and NSHPL, as well as interests in Chhaya, DSDPL and ETIPL. If we do not successfully integrate the acquired companies, anticipated operating advantages and cost savings may not be realized. The acquisition and integration of companies involve a number of risks, including:

- implementation or remediation of controls, procedures and policies at the acquired company;
- use of available cash, new borrowings or borrowings under existing credit facilities to consummate the acquisition;
- lower than expected sales of the acquired company;
- integration of the acquired company's accounting, human resources and other administrative systems, including management information, purchasing, accounting, finance, billing, payroll and benefits and regulatory compliance;
- inability to identify all the risks, liabilities and challenges in relation to the proposed acquisition;
- demands on management related to the increase in our size after an acquisition;
- diversion of management's attention from existing operations to the integration of acquired companies; integration of companies existing systems into our systems;
- difficulties in the assimilation and retention of employees;
- difficulties in the maintenance of relationships with authors, distributors, schools and other key relationships to an acquired company;
- difficulties in coordinating the sales and marketing functions of the acquired business with the existing business;
- implementation of new regulations and laws which have a negative impact on the acquired company's profitability;
- increase in fixed costs;
- ongoing obligations under agreements related to the acquisition;
- infringement claims, violation of laws, commercial disputes, tax liabilities and other known and unknown liabilities; or
- inheritance of claims or liabilities, as a result of strategic acquisitions, including claims from distributors, customers, business partners or other third parties and potential adverse effects on our operating results.

Accordingly, we cannot assure you that our current or future investments or acquisitions will prove value accretive to us and to our shareholders. If any of the risks described above or any other incidental risks should materialize, our growth strategy, business, results of operation, cash flows and prospects may be adversely affected. We may not be able to maintain the levels of operating efficiency that acquired companies achieved separately. Successful integration of acquired operations will depend upon our ability to manage those operations and to eliminate redundant and excess costs. We may not be able to achieve the cost savings and other benefits that we would hope to achieve from acquisitions. Failure in effectively implementing our growth strategies may result in diminution, loss or write-off of our investments in such ventures, which could materially adversely affect our business, results of operation, cash flows and financial condition.

6. We have recently acquired Chhaya, and do not yet know whether we will achieve the expected benefits from such acquisition, which could materially adversely affect our business, results of operation, cash flows and financial condition.

On December 5, 2016, we purchased 74% of the outstanding share capital of Chhaya Prakashani Private Limited for an aggregate consideration of approximately ₹1,700.05 million. We are obligated to acquire the remaining 26% of the outstanding share capital of Chhaya Prakashani Private Limited on or after November 15, 2018. The consideration for this remaining share capital of Chhaya Prakashani Private Limited is based on a formula tied to the operational EBITDA of Chhaya in Fiscal 2018, subject to certain adjustments.

Our ability to realize the anticipated benefits of the Chhaya acquisition will depend, to a large extent, on our ability to integrate its business. The combination of two independent businesses is a complex, costly and time-consuming process. The overall integration of the businesses may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of customers and other business relationships. As a result, we will be required to devote significant management attention and resources to integrate our business practices and operations with Chhaya. The integration process may disrupt the businesses and, if implemented ineffectively, would restrict the realization of the full expected benefits. Our failure to meet the challenges involved in integrating Chhaya and to realize the anticipated benefits of the transaction could cause an interruption of, or a loss of momentum in, the activities of the combined businesses and could adversely affect our business, results of operation, cash flows and financial condition.

7. Due to a number of acquisitions of businesses that we have made, our historical restated consolidated financial statements may not be comparable on a period to period basis and provide a meaningful basis of evaluating our results of operations and financial condition.

We have used acquisitions and investments to expand our product portfolio and our geographic and school board presence, and as part of our business strategy we expect that we will make strategic acquisitions and investments in the future. As we have completed the acquisitions and investments at various times, our consolidated results of operations may not be comparable on a period to period basis and provide a meaningful basis of evaluating our results of operations and financial condition.

VPHPL (including our *Madhubun* brand) was acquired in Fiscal 2013 with partial earnings consolidation in the second half of Fiscal 2013 with the first full year consolidation in Fiscal 2014. We acquired a 51% equity interest in NSHPL (and its *Saraswati* brand) in Fiscal 2015 and the remaining 49% was acquired in Fiscal 2016. Our first partial earnings consolidation of NSHPL occurred in Fiscal 2015 from May 17, 2014, with the first full year consolidation in Fiscal 2016. Safari Digital, our subsidiary, acquired a minority shareholding of 33.57% of the outstanding share capital of ETIPL in Fiscal 2015 and increased its shareholding to 44.66% of the outstanding share capital in Fiscal 2016. The first partial consolidation of ETIPL as an associate occurred in Fiscal 2015 from September 8, 2014 with the first full year consolidation as an associate in Fiscal 2016. We increased our shareholding in DSDPL from 48.37% to 99.9% in Fiscal 2015 and, accordingly, consolidated the results of operations of DSDPL as a joint venture until Fiscal 2014 and as a subsidiary from Fiscal 2015.

8. Due to our acquisition of Chhaya our Restated Consolidated Financial Statements for the nine months ended December 31, 2016 and for Fiscal 2017 may not be comparable on a period to period basis and provide a meaningful basis of evaluating our results of operations and financial condition.

We have consolidated the financial statements of Chhaya for the period from December 6, 2016 to December 31, 2016 in our Restated Consolidated Financial Statements for the nine months ended December 31, 2016. For the full Fiscal 2017, Chhaya's results of operations will have a material impact on our results of operations, including our revenue and net profit from the date of consolidation. In particular, our finance costs for the remainder of Fiscal 2017 may increase to reflect the interest payable under, and processing fees related to, the secured term debt of ₹ 1,504 million to finance part of the acquisition cost. Our other expenses in Fiscal 2017 may also be increased by acquisition and integration related costs including legal fees and due diligence costs.

To assist in understanding the acquisition and consolidation of Chhaya, we have prepared Proforma Financial Statements for the nine months ended December 31, 2016 and for Fiscal 2016, which are set forth in the section entitled "***Proforma Financial Statements***" on page 401. Our Proforma Financial Statements have been prepared on the basis of the assumptions set forth in the notes to the Proforma Financial Statements. Accordingly, our Proforma Financial Statements are illustrative only and should not be taken as an indication of the financial impact of consolidation of Chhaya or our future results of operation, financial condition or liquidity position.

9. We have an obligation to acquire the remaining 26% of the outstanding share capital of Chhaya Prakashani Private Limited which may need to be financed with additional debt.

Pursuant to the share purchase agreement, dated November 14, 2016, among Chhaya Prakashani Private Limited, EPHL, our Company and certain shareholders of Chhaya Prakashani Private Limited, we acquired 74% of the outstanding share capital of Chhaya Prakashani Private Limited and are obligated to acquire the remaining 26% of the outstanding share capital of Chhaya Prakashani Private Limited on or after November 15, 2018. The consideration for the remaining share capital of Chhaya is based on a formula tied to the operational EBITDA of Chhaya in Fiscal 2018, subject to adjustments. We cannot assure you that our business will generate sufficient free cash flows to enable us to fund this obligation from internal accruals or that we will be able to finance this obligation on commercially attractive terms or at all.

We have consolidated Chhaya from December 6, 2016 under Indian GAAP less minority interest. Under the new Indian accounting standards IND (AS), which will be applicable to us from April 1, 2017, it is likely that our Company will be able to consolidate 100% of Chhaya's profits from Fiscal 2017 onwards and will be

required to treat the consideration for the second tranche as a liability in our consolidated accounts.

For more information on the share purchase agreement and terms of the acquisition, see "***History and certain Corporate Matters***" on page 161.

10. Our interest expenses could materially impact our cash flows in certain quarters.

As of December 31, 2016, our long-term borrowings were ₹ 2,345.95 million, which included current maturities of long-term borrowings of ₹ 1,751.40 million. As of December 31, 2016, our short-term borrowings were ₹ 1,831.08 million. In December 2016, we incurred additional secured term debt of approximately ₹ 1,570 million, of which ₹ 1,504 million was used to finance the Chhaya acquisition. See "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Acquisition of Chhaya***" on page 420. Our interest expense was ₹ 293.32 million in Fiscal 2016 and ₹ 204.81 million in the nine months ended December 31, 2016, and our interest expenses will increase due to the term debt incurred for the Chhaya acquisition. Our interest expense could have a material impact on our cash flows in certain quarters due to the seasonality of our business which in turn could have a material adverse affect on our business, results of operation, cash flows and financial condition.

We cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

11. We may not be able to effectively implement our business and growth strategies and achieve future growth.

We operate in a dynamic industry, and on account of changes in market conditions, industry parameters, or technological improvements, our management is required to continually assess our strategies to position us for future growth. Our business strategy is to expand our leadership in the K-12 market by increasing our share of the content spend by CBSE and ICSE schools, increasing our regional presence with focus on content, focusing on digital as an extension of our existing content strength and enhancing our existing engagement by providing additional services to schools, teachers and students. Our strategy is also to expand our leadership in the test preparation market of our higher education business. We will likely need to acquire additional brands, publishing assets and digital capabilities to achieve this. Our growth strategies and plans may undergo changes or modifications from time to time, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. In India, we face the challenge of a young population that trails both developed and certain developing countries in terms of its educational spending as a proportion of GDP, a lack of quality infrastructure and education professionals, low government expenditure on education at the national, state and local levels and therefore a population that is heavily reliant on private out-of-pocket payment for education and print content and digital learning tools, and a diversity of curriculum across a large country and many regional areas.

The future success of our business will depend greatly on our ability to continue to effectively implement our business and growth strategies, including our ability to continuously develop and improve our operational, financial and other controls, none of which can be assured. Our growth strategies may not succeed due to various factors, including inability to identify acquisition and investment opportunities with sufficient growth potential, failure to effectively market our new business initiatives or foresee challenges with respect to our business initiatives, failure to maintain quality and consistency in our operations or to ensure scaling of our operations to correspond with our business strategy, increase in competition, or other operational difficulties. Any failure on our part to implement our business strategies, including the scaling of our operations to correspond with our business strategy, could be detrimental to our long-term business outlook and our growth prospects and materially adversely affect our business, results of operation, cash flows and financial condition.

12. Our business and results of operations may be adversely affected by many factors outside of our control, including changes in national, state and local education funding, general economic conditions, changes in the educational procurement process and changes to the syllabus and curriculum standard.

The performance and growth of our businesses depend in part on the financial position of the schools that we provide our content, which could be adversely affected by general economic conditions internationally and domestically and other factors outside of our control. In response to general economic conditions or budget shortfalls, private schools and school organisations may reduce educational spending to protect against existing or expected economic conditions or seek cost savings to mitigate budget deficits. As such, there can be no assurances that schools and institutions will have sufficient funding to purchase our products and services, that we will win their business or that schools that have historically purchased our products and services will do so again in the future. Similarly, changes in the procurement process for print content, supplemental materials and test preparation and competitive materials could also affect our markets and sales.

Further, our business, results of operations and financial condition may be materially adversely affected by changes in syllabi and curricula of schools including, but not limited to, delays in our ability to adopt particular curricula, changes in curricula and changes in student testing processes in a timely manner. These changes may adversely affect our inventory of books as we may be left with print content which is no longer viable. In the event there are significant changes in the curricula and we are unable to update or re-align its materials to such changes in a timely and cost-efficient manner, or if it is required to discontinue certain titles, our business, results of operations and financial condition could be materially adversely affected.

13. We may not be able to retain or attract the key authors and content that we need to remain competitive and grow.

We operate in an environment where there is intense competition for successful authors. Our success depends, in part, on our ability to continue to attract and retain key authors. Factors that authors may consider when deciding which content provider to work with may include the incentives offered, remuneration and reputation of the content provider. We may not be able to compete with other content providers on all such factors. Some of our titles and content are not pursuant to author agreements but pursuant to licensing of intellectual property rights for a three to five year period. Additionally, not all of our agreements allow for the right to digitize the author's content, which may hamper our ability to develop digital and technology based means of learning with such content going forward. As a result of such factors, we cannot guarantee the longevity of the relationships we have with some of the authors and key personnel. Furthermore, there can be no assurance that we can continue to attract and retain key authors and if we fail to do so, our business, results of operations and financial condition could be materially adversely affected. Our customers may be attracted to purchase our products on account of the reputation of our key authors and our inability to retain such authors may adversely impact our business, financial condition, results of operations and prospects.

14. Our business may be impacted by the rate of and state of technological change, including the digital evolution and other disruptive technologies, and the presence and development of open-sourced content could continue to increase, which could adversely affect our revenue.

Digital migration brings the need for change in content distribution, consumers' perception of value and the content provider's position between retailers and authors. If we are unable to adapt and transition to the move to digitalization at the rate of our competitors, our ability to effectively compete in the marketplace will be adversely affected.

Further, free or relatively inexpensive educational products are becoming increasingly accessible, particularly in digital formats and through the internet and some governmental and regulatory agencies have increased the amount of information they make publicly available for free. For example, in recent years there have been initiatives by non-profit organizations such as the Gates Foundation and the Hewlett Foundation to develop educational content that can be "open sourced" and made available to educational institutions for free or nominal cost. To the extent that such open sourced content is developed and made available to educational content customers in India and is competitive with our instructional materials, our sales opportunities and net sales could be adversely affected.

Technological changes and the availability of free or relatively inexpensive information and materials may also affect changes in consumer behaviour and expectations. Public and private sources of free or relatively inexpensive information and lower pricing of digital educational products may reduce demand and impact the

prices we can charge for our products and services. To the extent that technological changes and the availability of free or relatively inexpensive information and materials limit the prices we can charge or demand for our products and services, our business, financial position and results of operations may be materially adversely affected.

Due to the fast-changing digital marketplace, demand for innovative technology has generally resulted in short lead times for producing products that meet customer specifications. Shorter time to market our products increases the risk that our products may contain flaws or corrupted data, and these defects may only become apparent after product launch, particularly for new products and new features to existing products that are developed and brought to market under tight time constraints. Problems with the performance of our digital products could result in liability, loss of revenue or harm to our reputation.

15. We rely on our paper and other raw material suppliers for our business and third parties for the printing and binding of a portion of our content.

Print content publishing requires substantial amounts of paper and other print materials. These raw materials have historically been available from a number of independent suppliers, although we cannot assure you that this will continue to be the case in the future. We source our paper from independent suppliers with whom we enter into short term fixed price contracts which typically are for a 12-month period. However, unexpected pricing volatility for paper and print materials, an increase in the price of paper and such materials or inflation could result in increased costs and may significantly affect our business, results of operations and financial condition.

Inadequate supply of paper or other raw materials caused either by default of the supplier, or by a sudden change in the price, or due to the closure of certain paper mills due to financial distress or for any other reason could hamper our operations and thereby adversely affect our business, cash flows and results of operation. In Fiscal 2017, the industry has been experiencing supply issues due to the financial distress of a large paper manufacturer. As of the date of this Red Herring Prospectus, however, we have not experienced any disruption in paper supply. In addition, the introduction of GST may also impact the price of paper and our paper expenses. For further details for the impact of GST on our operations, see below risk ***"63. Changes in laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax law could adversely affect our business, prospects and results of operations"*** on page 43.

In Fiscal 2016, we handled over 85% of our printing and binding requirements in-house at our printing facilities located at Sahibabad and Rudrapur. We outsource the printing and binding of our remaining products which is currently handled by various vendors. Further, Chhaya outsources all of its printing requirements; accordingly, our reliance on third party vendors will likely increase. From time to time, our outsourced printing requirements may increase due to disruptions in our operations and due to certain rush printing jobs required during peak season. Our gross margins may be adversely affected if our outsourcing requirements increase for these or other reasons. In addition, any disruption or delay in the printing and binding of our products by third parties for any reason could materially adversely affect our business, results of operation, cash flows and financial condition.

16. Our investments in new products and distribution channels may be less profitable or may be loss-making.

In order to maintain a competitive position, we must continue to invest in new education and knowledge based products and new channels of content delivery. This is particularly true in the current environment where investment in new technology is ongoing and the products our competitors are offering, the products our customers are seeking and our sales and distribution channels are being affected. In some cases, our investments will be in-house and, in others, they may take the form of an acquisition or investment. Additionally, we may make subsequent adjustments as a result of our research, experience, technology evolution and market demand. We cannot guarantee that any such initiative will be successful. Other technologies may in the future prove to be more efficient and/or economical.

In particular, in the context of focusing on key digital opportunities, the market is evolving and we may be unsuccessful in establishing ourselves as a significant competitor. Further, our investments in new products or

distribution channels, such as digital platforms, and delivery platforms such as tablets and e-readers, whether by in-house development or acquisition, may be less profitable than what we have experienced historically, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially adversely affect our business, results of operations and financial condition.

17. There are various outstanding proceedings involving our Company, our Subsidiaries, one of our Promoter, one of our Director and certain of our Group Companies, which if determined against them, may have an adverse effect on our business.

There are certain outstanding legal proceedings involving our Company, our Subsidiaries, one of our Promoter, one of our Director and certain of our Group Companies that are incidental to our business and operations. Such proceedings are pending at different levels of adjudication before courts, tribunals, quasi-judicial authorities and appellate tribunals.

Except as disclosed below, there are no material legal proceedings involving our Company, our Subsidiaries, our Promoters, our Directors or our Group Companies. A summary of such proceedings is set forth below.

Litigation involving our Company

S. No.	Nature of Case	Number of Outstanding Cases	Amount involved (In ₹ Million)
Litigation against our Company			
1.	Criminal Proceedings	1	-
2.	Civil Proceedings[(1)]	1	20.00
3.	Statutory/ Regulatory Proceedings	7	104.17*
4.	Tax Proceedings	12	95.58
Litigation by our Company			
1.	Criminal Proceedings	19	17.01
2.	Civil Proceedings[(1)]	4	89.57

Litigation involving the Subsidiaries

S. No.	Nature of Case	Number of Outstanding Cases	Amount involved (In ₹ Million)
Litigation against Nirja Publishers			
1.	Tax Proceedings	2	74.91
Litigation against VPHPL			
1.	Criminal Proceedings	1	-
2.	Tax Proceedings	1	-
Litigation by VPHPL			
1.	Criminal Proceedings	11	5.86
2.	Civil Proceedings[(1)]	3	119.69
Litigation against DSDPL			
1.	Tax Proceedings	1	2.75
Litigation by NSHPL			
1.	Criminal Proceedings	5	2.49
Litigation against BPI			
1.	Civil Proceedings[(1)]	1	16.7
Litigation by BPI			
1.	Criminal Proceedings	3	1.95
Litigation against Blackie			
1.	Tax proceedings	1	1.79

Litigation involving our Promoter

S. No.	Nature of Case	Number of Outstanding Cases	Amount involved (In ₹ Million)
Litigation by Mr. Dinesh Kumar Jhunjhnuwala			
1.	Civil Proceedings[(1)]	1	-

Litigation involving our Director

S. No.	Nature of Case	Number of Outstanding Cases	Amount involved (In ₹ Million)
Litigation by Mr. Dinesh Kumar Jhunjhnuwala			
1.	Civil Proceedings[(1)]	1	-

Litigation involving our Group Companies

S. No.	Nature of Case	Number of Outstanding Cases	Amount involved (In ₹ million)
Litigation against SC Hotel Tourist Deluxe Private Limited			
1.	Statutory/ Regulatory Proceedings	2	104.16*
Litigation against S Chand Properties Private Limited			
1.	Statutory/ Regulatory Proceedings	2	104.16*
Litigation against Shaara Hospitalities Private Limited			
1.	Statutory/ Regulatory Proceedings	2	104.16*
Litigation against S. Chand Hotels Private Limited			
1.	Statutory/ Regulatory Proceedings	2	104.16*

(1) Based on policy adopted by the Board on September 19, 2016, the Board has considered as material, each legal proceeding where aggregate amount involved exceeds ₹ 5.00 million or more, and any outstanding litigation wherein monetary liability is not quantifiable and whose outcome would have a bearing on the operations or performance of our Company.

* *This involves a notice against our Company, SC Hotel Tourist Deluxe Private Limited, S Chand Properties Private Limited, Shaara Hospitalities Private Limited and S. Chand Hotels Private Limited for an aggregate amount of ₹ 104.16 million.*

Such proceedings could divert management time and attention, and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, results of operation, cash flows and financial condition. For further details, see the section entitled "***Outstanding Litigation and Material Developments***" on page 469.

We cannot assure you that any of the outstanding material litigation matters will be settled in our favor or in favor of our Subsidiaries or Group Companies or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have an adverse effect on our business, results of operation, cash flows and financial condition.

18. Our business depends on our reputation and customer perception of our brand, and any negative publicity or other harm to our brand may materially adversely affect our business, results of operations and financial condition.

We believe that our brands are widely recognized in India by students, teachers and institutions. We also believe our strong brand reputation has helped us attract and retain customers who use our products throughout the education cycle. As a result, our reputation and customer perception of our brands are critical to our business. However, our ability to maintain our brand recognition depends on a number of factors, some of which are beyond our control. Maintaining and enhancing our reputation and brand recognition depends primarily on the quality and consistency of our print content and digital and educational offerings, as well as the success of marketing and promotional efforts by us and our distributors. Maintaining and enhancing our brands is essential to our efforts to maintain and expand our customer base. If customers do not perceive our products to be of high quality or differentiated owing to its content, our brand image may be harmed, thereby decreasing the attractiveness of our print content and digital and educational offerings.

Further, while we have devoted resources to brand promotion efforts in recent years, it is possible that our marketing and promotional initiatives may be insufficient or unsuccessful in increasing awareness of our brand. Any failure to allocate appropriate resources to brand investment, to refine our existing marketing approach or to introduce new marketing approaches and marketing channels in an effective manner could reduce our market share, cause our revenue to decline and negatively impact our profitability. Additionally, if our competitors increase their spending on marketing and promotions, our marketing or promotions could become less effective than those of our competitors, and we could experience a material adverse effect on our business, financial condition and results of operations.

Further, as we expand into new geographic markets, customers in these markets may not accept our brand. We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing our brands may become increasingly expensive.

19. Receipt of unexpectedly large returns could adversely affect our financial results. If we are unable to accurately forecast customer demand, we may not be able to maintain adequate inventory levels.

We typically permit our distributors to return products up to a certain value that they purchase from us if the products are not sold within a prescribed time period or if the product does not conform to specifications (like misprint or other damage) at the same cost for which the products were purchased from us. If we receive a greater number of returns than for which we provide, based on historical averages, our business and operations could be adversely affected and we may incur significant expenses associated with such returns.

Further, printing of our content and other products are decided based on management estimates of demand using historical sales data which is used to extrapolate future sales pattern and we start printing before the preparation of an order book. If we fail to accurately forecast customer demand, we may experience excessive inventory levels or a shortage of products available for sale. There can be no assurance that we will be able to successfully manage our inventory at a level appropriate for future customer demand.

20. Schools may institute curriculum management programs offered by our competitors, which would prevent us from selling our content to such schools.

A number of our competitors have developed curriculum management programs, which define all subjects, content and material tested at different levels. Companies that offer curriculum management services provide all content and can ensure that their products are fully subscribed to by schools and teachers, thereby excluding competitors' products. While we intend to offer curriculum management services as part of our strategy, if our competitors are more successful, we are at risk of having our content, products and services prevented from being sold to schools that have signed up for curriculum management services. If we are unable to compete successfully against existing or new competitors offering curriculum management services, our business, results of operations and financial condition may be materially adversely affected.

21. Increased customer expectations for lower prices or free bundled products could reduce sales revenues.

Customer expectations for lower priced products has increased due to customer awareness of reductions in production costs and the availability of free or low-cost digital content and products. Customers have become accustomed to being given technology-enabled products at no additional charge from content providers, including us, as incentives to adopt programs and other products. As a result, there has been pressure to price our products competitively and increase the amount of products and materials sold as part of hybrid and bundled print and digital learning products. Some of our existing contracts with our authors need to be amended to cover the production of digitized content; however, if we are unsuccessful or unable to amend such contracts in a timely matter such that the contracts with our authors do not cover the production of digitized content, we may be unable to provide such content in a digitized and low-cost form. Increased customer demand for lower prices or free bundled products could reduce our sales revenue and/or increase our production costs and could have a material adverse effect on our business, results of operations and financial condition.

22. We are dependent on third-party distributors, representatives and dealers for a substantial portion of our sales.

As of December 31, 2016, our distribution and sales network (not including Chhaya) consisted of 4,932 distributors and dealers, and we had an in-house sales team of over 838 professionals working from 52 branches and marketing offices across India. Our acquisition of Chhaya in December 2016 has expanded our presence in Eastern India to include an additional 771 distributors and dealers as of December 31, 2016. Our top ten distributors (not including the distributors of Chhaya) contributed to 10.20%, 12.28% and 11.64% of our consolidated operating revenue during Fiscal 2014, 2015 and 2016, respectively. We do not ultimately control the performance of our third-party distributors, representatives and dealers to perform as required or to our expectations. Also, certain of our distributors and dealers may market other products that compete with our

products. If our competitors provide better commissions or incentives to such distributors, it may result in their favouring our competitors over us. Additionally, if we are unable to engage distributors on mutually agreeable terms to distribute and sell our print content, it may significantly disrupt the supply of our publications to our customers, which may lead to a decline in the reach of our content and adversely affect our business and financial conditions. Further, any inability by us to provide print content to distributors and dealers could result in delay or inability to sell material to schools, retailers and end customers, thereby increasing sales returns and inventory. Further, although we enter into agreements with such distributors, we cannot assure you that such distributors will be able to fulfil their obligations under such agreements entirely, in a manner acceptable to us, or at all. As a result, we may have to initiate legal action in respect of any such breach and such legal action could divert the attention of our management from our operations, which could harm our business, financial condition and results of operation.

The loss of one or more of our distributors, representatives or dealers or their failure to effectively promote our products or otherwise perform in their functions in the expected manner could adversely affect our ability to bring our products to market and impact our revenues. Furthermore, our business growth depends on our ability to attract additional high-quality distributors to our distribution network. If we do not succeed in maintaining the stability of our distribution network and attracting additional high-quality distributors to our distribution network, our market share may decline, which would materially adversely affect our business, results of operations and financial condition.

23. Our ability to enforce our intellectual property and proprietary rights may be limited, and any increase in unauthorized copying and distribution of our productions or purchase of our used products by our customers could harm our competitive position and materially adversely affect our business and results of operations.

Our products contain intellectual property delivered through a variety of media, including digital, web-based media and print. We rely on a combination of copyrights, trademarks, patents, trade secrets and nondisclosure agreements to protect our intellectual property and proprietary rights. We also have arrangement with a third party to pursue and investigate piracy of our intellectual property. Despite engaging a third party to head our "Anti-Piracy Department", our print content has been copied and distributed illegally in the past. Additionally, as we and our industry transition from the provision of print content only to the provision of both print and digital content and as the copying and distribution of content over the internet proliferates, the risk of piracy, illegal downloading, file-sharing or other infringements of our intellectual property is likely to increase. While the copying and redistribution of our products are restricted by copyright and other intellectual property laws, license agreements with customers and other means; however, third parties may nonetheless violate our intellectual property rights, and copy and redistribute our products without authorization, which reduces our product sales. For instance, certain publishers initiated a suit seeking an interim injunction against a photocopy service, alleging that the photocopying, distribution and compiling of course packs by the photocopy service amounted to copyright infringement and commercial exploitation of copyrighted works. In December, 2016, a division bench of the High Court of Delhi dismissed the petition for injunction, stating that the act of photocopying for use in the course of instruction would neither amount to infringement of copyright nor exploitation of copyrighted works. While we are unable to ascertain the quantitative impact of this order, this ruling may lead to an increase in the instances of the unauthorized copying and distribution of our works, which would adversely impact our products sales and affect our results of operations and financial condition.

While we use digital rights management features to protect our digital solutions, no digital rights management system is completely secure or foolproof, and all such systems are subject to unauthorized tampering or modification. Our efforts to protect our intellectual property and proprietary rights may not be sufficient and we cannot make assurances that our proprietary rights will not be challenged, invalidated or circumvented. If there is an increase in the scale of unauthorized copying and redistribution of our products, or if we are unable to adequately protect and enforce our intellectual property and proprietary rights, it would adversely impact our product sales and reduce our revenue, thereby adversely affecting our results of operations and financial condition, as well as our competitive position.

Further, we cannot make any assurances that our customers would not purchase our used products. If there is an increase in the purchase of our used products by our customers, it would adversely impact our product sales and reduce our revenue, thereby adversely affecting our results of operations and financial condition, as well as our

competitive position.

Although we have initiated legal action against such unauthorized copying in the past, we cannot assure that similar actions in the future will be successful, particularly in foreign countries. The initiation of such litigation could be costly and may divert management's attention and resources away from our business and operations, which may negatively impact our business.

24. Our business is dependent on our printing facilities, warehouses and logistics capabilities, and disruptions in operations and supply chain could reduce or restrict sales and materially adversely affect our business, results of operation, cash flows and financial condition.

Our business is dependent on our printing facilities, our warehouses and logistics capabilities. We operate two print facilities in Sahibabad and Rudrapur, which are sufficient to manage most of our requirements. The continued operation of these printing facilities can be substantially interrupted due to a number of factors, many of which are outside of our control, including natural disasters or other unanticipated catastrophic events, including power interruptions, water shortages, floods, actual, potential or suspected epidemic outbreaks, labour disputes, obsolescence of our plant and machinery, storms, fires, explosions, earthquakes, terrorist attacks and wars, as well as loss of licenses, certifications and permits, changes in governmental planning for the land underlying our facilities and regulatory changes. Our facilities and equipment would be difficult and costly to replace on a timely basis.

Moreover, catastrophic events like flooding could also destroy our print content and other inventory located at our warehouses or the warehouses of our distributors. For example, due to floods in Chennai, India, in 2015, there was a disruption in our operations and in 2012 our operations in Chennai were interrupted due to a fire. Although our property was insured against such events, we faced disruptions in our operations due to these events which materially impacted our business.

We use various local carriers to transport our inventory between our printing facilities and warehouses and our distributors and dealers. Transportation delays, disruptions and accidents can disrupt our operations from time to time.

If our printing facilities, warehouses or logistics operations are substantially disrupted, we may not be able to replace the equipment or inventories, or use a different facility to continue our operations in a timely and cost-effective manner or at all. In addition, while our printing facilities and our warehouses have been insured, if the breakdown or failure of equipment or machinery causes damage or interruption in operations, we may not be able to recover from damage or interruptions caused in a timely manner, or at all. The occurrence of any such event could result in the temporary or long-term closure of our print facilities or warehouses. Additionally, if additional printing facilities are required in order to meet publishing demand, a significant cost may need to be incurred.

The occurrence of any of the above could materially adversely affect our business, results of operation, cash flows and financial condition.

25. Our investee companies and subsidiaries that are not wholly owned by us present risks that we would not otherwise face.

Our business and strategy involves entering into acquisitions and investments. We currently have a number of subsidiaries which are not wholly owned by us and hold minority interests in various early stage education companies such as Edutor Technologies India Private Limited, Next Door Learning Solutions Private Limited, Gyankosh Solutions Private Limited, Smartivity Labs Private Limited and Testbook Edu Solutions Private Limited. Our subsidiaries that are not wholly owned by us and companies in which we have investments are generally less well-capitalized than we are. There are specific risks applicable to these subsidiaries and investments and these risks, in turn, add potential risks to our business. Such risks include risks that investors fail to meet their obligations under related investment agreements, conflicts with investors and the possibility of an investor taking valuable knowledge from us. In addition to the foregoing risks, we do not have control over such companies, and therefore cannot make management and business decisions on behalf of such companies.

If customers have complaints regarding business decisions of such companies or experience product and content related issues, such complaints may have an adverse impact on our brand and reputation.

26. Our success depends largely on the continued efforts of our senior management and our ability to attract and retain skilled personnel.

Our future success depends on the continued services and performance of the members of our management team and other key employees. We may not be able to retain our existing senior management or attract and retain new senior management in the future. Our competitors, such as multi-national companies with greater financial capabilities, may offer such personnel higher salaries and greater benefits than we are able to offer, which may impact our ability to attract and retain personnel. The loss of the services of key persons in the organization could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations, financial condition and cash flows. We have 'key man' life insurance for two of our executive directors, Himanshu Gupta and Dinesh Kumar Jhunjhnuwala.

The success of our business will also depend on our ability to identify, attract, hire, train, retain and motivate skilled personnel. Demand for qualified professional personnel is high and these personnel are in limited supply. Our professionals are highly sought after by our competitors as well as other Indian companies, particularly as India's economy continues to grow and mature. If we fail to hire and retain sufficient numbers of qualified personnel for functions such as manufacturing, technical, finance, marketing, sales, operations or editorial, our business, results of operation, cash flows and financial condition could be adversely affected.

Further, we incur significant costs to retain our personnel and such costs have increased in recent years in view of the general growth in our business and industry and we may need to continue to increase the levels of compensation to our personnel to remain competitive and manage attrition. Such increase in compensation may have an adverse effect on our business, results of operations and financial condition.

27. We operate in markets which are dependent on IT systems and technological change. If we are unable to keep our systems and technologies updated, it will adversely affect our business conditions.

Our business, and in particular, the business of many of our investee companies, is dependent on information technology. We use IT systems and products to support our business activities. As our operations grow in size and scope, we must continuously upgrade our systems and infrastructure, while maintaining the reliability and integrity of our systems and infrastructure in a cost-effective manner.

We face several technological risks associated with software product development and service delivery in our educational businesses, information technology security (including virus and hacker attacks), e-commerce, enterprise resource planning, system implementations and upgrades. In particular, the provision of our online products depends on the capacity, reliability and security of our hosting and electronic delivery systems. We maintain a backup facility for some, but not all, of our online products, and failures of our hosting and delivery systems (whether as a result of operational failures, tampering or hacking, human error, natural disasters, computer viruses or other factors) could cause our online products to operate slowly, interrupt their availability or result in loss of data. The occurrence of such problems or other operational disruptions could result in liability, loss of revenue or harm to our reputation which in turn could adversely affect our business, results of operations and financial condition. While we try to maintain standard insurance coverage, our insurance coverage may be subject to standard policy exclusions and subject to specific ceilings, and therefore we may not have adequate insurance to cover such costs, in part or in whole.

28. We may be subject to third-party claims of intellectual property infringement.

While we take care to ensure that we comply with the copyrights and intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party copyrights and other intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and

require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Further, while we enter into copyright agreements with almost all of our authors, which provide that the author would be liable to indemnify us in the event the content written by such author violates the Copyright Act, any claims which arise against our Company as a result of such violation may dilute the value of our brand and intellectual property. We also may not be able to realize indemnity claims from authors which may adversely affect our business and financial condition. Other companies or individuals, including our competitors, may obtain patents or other rights that could interfere with our ability to provide our services or operate our business or that could increase our costs or reduce our revenues. Necessary licenses may not be available to us on satisfactory terms, if at all. Consequently, we may be involved in intellectual property litigation and it may be found that we have infringed on the proprietary rights of others, which finding could force us to do one or more of the following:

- cease performing or selling the content / services that incorporate the challenged copyright or intellectual property;
- pay for and obtain licenses from the holder of the infringed copyright or intellectual property right;
- restructure our business processes;
- provide indemnification to parties for third-party breaches of copyright or intellectual property pursuant to our contracts with such parties; or
- pay damages, court costs and legal fees, including any increased damages for any infringement that is deemed to be willful.

For example, we have been involved in a dispute relating to a claim by one of our key authors (together with his co-authors) for alleged infringement of copyright with respect to a book published by us. For further details, see the section entitled "***Outstanding Litigation and Material Developments***" on page 469.

The materialization of any of the foregoing risks could adversely affect our business, results of operation, cash flows and financial condition.

29. We have applied for renewal of the registration of the logo appearing on the cover page of this Red Herring Prospectus and we do not own some of the copyrights, trademarks, trade names or other intellectual property rights and may lose the ability to use the copyrights, trademarks, trade names or other intellectual property rights that we do not own and for which we do not have a license agreement in place, our business could be adversely affected.

We have applied for renewal of the registration of the logo of our Company. The registration application of the logo of our Company appearing on the cover page of this Red Herring Prospectus is pending for renewal Further, we do not own some of the copyrights, trademarks, trade names or other intellectual property rights in relation to our Company and Subsidiaries. Our trademark "S Chand" bearing registration number 702331 registered with the registrar of trademarks ("**RoT**") was valid till March 20, 2013 and, accordingly, the registration issued by the RoT has expired. Our Company has, by an application dated March 26, 2013, made an application to the RoT for renewal of the trademark. Additionally, we have made applications for registration of certain trademarks in the name of our Company, S Chand Edutech, EPHPL, Blackie, DSDPL, BPI, NSHPL, Safari Digital, and VPHPL which are currently pending or have been objected to. In the event that we fail to obtain or lose the ability to use any of the copyrights, trademarks, trade names or other intellectual property rights that we do not currently own and for which we do not have a license agreement in place, our business could be adversely affected. Additionally, as "Vikas" means "progress" or "development" in Sanskrit and "Saraswati" is a Hindu goddess of learning, knowledge and wisdom, we may be unable to use the copyright of "Vikas" and "Saraswati" and related intellectual property rights in the future.

30. Our Proforma Financial Statements have not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions.

Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been prepared in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such pro forma information should be limited. In

addition, the rules and regulations related to the preparation of pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in our notes to the Proforma Financial Statements.

31. Some of our Subsidiaries, Associate and Group Companies are loss making companies.

Some of our Subsidiaries, Associate and Group Companies are loss making companies and their profits or losses in the last three Fiscal years, are detailed in the table below:

Name of Company	Profit/(Loss) after tax (₹ *millions*)		
	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
BPI (India) Private Limited	(0.09)	2.31	4.68
DS Digital Private Limited	(33.07)	(52.50)	21.35
Edutor Technologies India Private Limited*	(65.73)	(57.68)	(24.26)
RKG Hospitalities Private Limited**	2.43	0.46	(5.38)
S Chand Edutech Private Limited	7.35	(6.24)	(6.36)
S. Chand Hotels Private Limited**	(0.27)	24.42	(57.19)
Safari Digital Education Initiatives Private Limited	(19.87)	(7.00)	(4.13)
Shaara Hospitalities Private Limited**	(5.46)	13.52	456.02
Smartivity Labs Private Limited**	(5.86)	(0.10)	-

** Group Company and associate of the Company*
*** Group Company*

There can be no assurance that our Subsidiaries, Associate and Group Companies will not incur losses in the future or that there will not be any adverse effect on our reputation or business as a result of such losses.

32. The Promoters and the Promoter Group may retain majority control of the Company after the Offer, and may have interests that are adverse to, or conflict with, the interests of other shareholders.

After the completion of the Offer, the Promoters and the Promoter Group may continue to hold a majority of our issued and paid up equity share capital. For further details of their current shareholding, see the section entitled "***Capital Structure***" on page 82. The Promoters will have the ability to exercise significant control over our business and all matters requiring shareholder approval, and may cause us to take actions that are not in, or may conflict with, our or our shareholders' best interests, including matters relating to our management and policies and the election of our directors and senior management, the approval of lending and investment policies, revenue budgets, capital expenditure, dividend policy, strategic acquisitions and fund raising activities. The extent of their shareholding in our Company may also delay, prevent or deter a change in control, even if such transaction is beneficial to other shareholders.

As holders of the majority of our share capital, the Promoters and the Promoter Group will be able to influence major policy, strategic and investment decisions by controlling the selection of the senior management of our Company, determine the timing and amount of any dividend payments, approve our annual budgets, determine increases or decreases in the share capital of our Company, and determine our issuance and sale of new securities, among other significant actions.

Further, the interest of our Promoters as our controlling shareholders could also conflict with our interest or the interest of our other shareholders. We have in the past and will continue to enter into related party transactions with our Promoters. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour and they may take actions that are not in the best interest of our Company or that of our other shareholders.

33. We have entered certain related party transactions, which may involve conflicts of interest, and we may continue to do so in the future.

We have in the past, and expect to continue to enter into, transactions with related parties in the ordinary course

of business. For information on related party transactions please see the section entitled "***Related Party Disclosures***" on page 205.

For example, our related party transactions include, leasing arrangements entered by our Company and our Subsidairies for a number of properties from some of our Group Companies. We may enter similar arrangements in the future with respect to our facilities and services.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favorable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's-length basis, we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the Listing Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

For related party transactions during the last five Fiscal and further information, see the section entitled "***Related Party Disclosures***" on page 205.

34. Our Promoters and Directors are interested in our Company beyond their shareholdings and rights to receive dividends, or remuneration or benefits.

Some of our Directors, including our Promoter Directors, are interested in us beyond the extent of their shareholdings and dividend entitlements, remuneration paid to them for services rendered as Directors and reimbursement of expenses payable to them. For example, our Company has entered into two lease agreements with Ms. Neerja Jhunjhnuwala, one of our Promoters, pursuant to which she received an aggregate rent of ₹2.27 million in Fiscal 2016. Further, our Company has entered into two lease agreements with Ms. Savita Gupta, one of our directors, pursuant to which she received an aggregate rent of ₹2.19 million in Fiscal 2016. For further details, see "***Our Management - Interest of Directors***" and "***Our Promoters - Interests of Promoters***" on pages 185 and 197, respectively.

35. The land and premises for our Registered and Corporate Office, certain of our branch offices, marketing offices and warehouses are held by us on a leasehold basis or on a leave and license basis, which subjects us to certain risks.

As on December 31, 2016, of a total of 82 premises used by us, 79 are leased by us (excluding property owned by Arch Papier-Mache Private Limited, an erstwhile subsidiary of our Company) from Group Companies and third parties and three are owned by us. The land and premises on which our Registered and Corporate Office and certain of our branch offices, marketing offices and warehouses are located are held by us on a leasehold basis or a leave and license basis. While we typically enter lease or license arrangements (the "***Property Arrangements***") that provide the lessor or licensor with the right to terminate upon notice subject to lock-in period, if any, certain of our Property Arrangements have an option to renew with the terms mutually agreed on between the parties. If any of the Property Arrangements are terminated, we may be unable to procure premises like the ones on which we currently operate and may suffer a disruption in our operations or be required to pay increased rental rates, which could have a material adverse effect on our business, results of operations and financial condition. If any of our leases are not renewed or are not renewed on terms and conditions that are favorable to us, we may suffer disruptions in our operations which could have a material adverse effect on our business. Additionally, we may be required to change the locations of our leased premises, and we may be unable to recover the costs of moving. If we are forced to move, we may also be required to obtain fresh regulatory licenses and approvals for new locations. Until we receive such approvals and licenses, we may suffer disruptions in our operations which may adversely affect our business, results of operations and financial condition.

Further, in the event of default on behalf of the lessor/licensor, we may be unable to enforce our leases/licenses if such lease or license is not duly registered. For lease/license agreements that are deemed as insufficiently

stamped, we may be required to pay additional stamp duty or make similar payments, which could have an adverse effect on our business, results of operations and financial condition.

Title to the properties we lease could be affected by improperly executed, unregistered or insufficiently stamped conveyance instruments, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that the lessors may be unaware of. In addition to title uncertainties, there may be other irregularities, defects, non-compliance, or unsettled claims in relation to the properties that we lease or hold on a leave and license basis from time to time, including issues that we may not be aware of. For example, our properties may be subject to restrictions under our lease or license agreements or under municipal zoning or other property-related laws and regulations. Our properties could also be subject to legal proceedings regarding the restrictions on use that involve local municipal councils or regulatory authorities. In addition, some of our properties may not have the requisite approvals to function as a commercial establishment.

Any of the above factors may affect uninterrupted possession and use of the properties we occupy, cause us to incur significant additional compliance costs or rental expenses, which may adversely affect our business, results of operations and financial condition.

36. Any increase in or materialization of our contingent liabilities could adversely affect our business, results of operation, cash flows and financial condition.

As at December 31, 2016, we had certain contingent liabilities, as described in on our Restated Consolidated Financial Statements in accordance with the provisions of Accounting Standard – 29 – Provisions, Contingent Liabilities and Contingent Assets.

Particulars	**Amount as on December 31, 2016** *(₹ in million)*
Income tax demand	67.58
VAT claim by U.P. VAT Act	1.65
Stamp duty	95.01
Registration fee	9.15
Total	173.40

In the event any such contingencies described were to materialize or if our contingent liabilities were to increase in the future, our business, results of operation, cash flows and financial condition could be adversely affected. For further details, see the section entitled "***Financial Statements***" on page 207.

37. We cannot assure payment of dividends in the future.

The decision to pay dividends and the amount of such dividends, if declared, depends on a number of factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and any other factors that our Board and shareholders deem to be relevant at their discretion, subject to the provisions in the Articles of Association and the Companies Act. If we decide to retain our earnings to finance the development and expansion of our business, we may not declare dividends on the Equity Shares. Therefore, there can be no assurance that we will be able to pay dividends at any point the future. For details of the dividend declared by the Company, please see "***Dividend Policy***" on page 206.

38. Our insurance coverage is limited and may not adequately protect us against all material hazards.

While we are covered against certain risks, our insurance coverage is limited. Our significant insurance policies consist of coverage for risks related to burglary, fire and directors' and officers' liability. We have insurance policies covering our vehicles, fire and special perils insurance for some of our facilities and premises, including our printing facilities and the equipment contained therein.

While we believe the policies that we maintain would be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by

us will be honored fully, in part or on time, or that we have obtained sufficient insurance (either in amount or in terms of risks covered) to cover all material losses. To the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate, the loss would have to be borne by us, and, as a result, our business, results of operations and financial condition could be adversely affected.

39. Some of our records relating to forms filed with the Registrar of Companies are not available. We cannot assure you that these form filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

Our Company does not have access to certain filings pertaining to certain historical legal and secretarial information in relation to certain disclosures in this Red Herring Prospectus. These include, requisite filings required to be made with regulatory authorities for the following transactions:

(i) the issuance of 360 equity shares of our Company on February 26, 1972; (ii) the issuance of 400 equity shares of our Company on August 7, 1972; (iii) the issuance of 1,710 equity shares on June 9, 1973; (iv) the issuance of five equity shares of our Company on March 10, 1989; (v) an RoC certificate reflecting the change of the Company to a public limited company under Section 43A(1) of the Companies Act, 1956 on October 3, 1988; (vi) gift of ten equity shares of our Company from Mr. Himanshu Gupta to Mr. Dinesh Kumar Jhunjhnuwala on December 11, 2004; (vii) gift of 187 equity shares of our Company from Ms. Nirmala Gupta to Mr. Dinesh Kumar Jhunjhnuwala on January 13, 2011; (viii) gift of 113 equity shares of our Company from Ms. Nirmala Gupta to Ms. Neerja Gupta on January 13, 2011; (ix) transfer of one equity share of our Company from Mr. B.S. Sharma to Ms. Nirmala Gupta on May 27, 1996; (x) transfer of ten equity shares of our Company from Ms. Nirmala Gupta to Ms. Ankita Gupta on December 11, 2004; (xi) transfer of seven equity shares of our Company from Blackie & Son (Calcutta) Private Limited to Ms. Nirmala Gupta on January 5, 2007; (xii) transfer of one equity share of our Company from Ms. Nirmala Gupta to Mr. Gaurav Kumar Jhunjhnuwala on August 19, 2010; (xiii) gift of 22,516 equity shares of our Company from Ms. Nirmala Gupta to Mr. Himanshu Gupta; (xiv) transfer of one equity share of our Company from Mr. B.L. Gupta to Ms. Savita Gupta; (xv) transfer of two equity shares of our Company from Blackie & Son (Calcutta) Private Limited to Ms. Savita Gupta on January 5, 2007; and (xvi) transfer of one equity share of our Company from Blackie & Son (Calcutta) Private Limited to Ms. Ankita Gupta on January 5, 2007.

Accordingly, we have relied on other documents, including annual returns, the statutory register of members of the Company, board resolutions and affidavits from certain of the aforementioned shareholders. While we believe that the forms were duly filed on a timely basis, we have not been able to obtain copies of these documents from the Registrar of Companies, or otherwise. We cannot assure you that these form filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

40. Our operations could be adversely affected if we fail to comply with the laws and regulations of India and the conditions stipulated in our licenses, permits or approval.

There can be no assurance that we have been or will be in complete compliance with all laws, regulations and permits or that we have been or will be able to meet the relevant requirements set by the authorities at all times. We are required to obtain various licenses, permits and approvals for our operations, including but not limited to certain business related licenses, and failure to obtain and maintain any licenses, permits and approvals necessary to operate our business may have a material adverse effect on our business and operations. Breach or non-compliance with the laws and regulations may result in the suspension, withdrawal or termination of our business licenses or permits, or the imposition of penalties, by the relevant authorities.

41. If we are unable to maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports, and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in

judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our shares.

We and our operations are subject to anti-corruption laws and regulations. These laws prohibit us and our employees and intermediaries from engaging in bribes or making other types of prohibited payments to prohibited persons to gain a business advantage. Our code of conduct requires our employees and intermediaries to comply with all applicable laws and we are continually enhancing our policies and procedures to ensure compliance with these laws; however, such measures may not prevent the breach of these laws, particularly in emerging markets such as India. Additionally, we are unable to predict the manner in which these laws may be administered or interpreted or the impact of future regulatory requirements on our business and operations.

We cannot provide assurance that we will be completely effective in ensuring our compliance with all applicable anti-corruption laws. If we break any of the anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement, other sanctions and remedial measures, as well as associated legal expense, which could have an adverse impact on our business, results of operation, cash flows and financial condition. Additionally, any investigation of a potential violation of the anti-corruption laws by the relevant authorities could have an adverse impact on our reputation, our business, results of operation, cash flows and financial condition.

As a result of sanctions imposed by countries, including the United States, Commonwealth countries and member states of the European Union, business activities in particular countries or with certain individuals are regulated, restricted or prohibited. Failure to comply with these laws and regulations may expose us to risk of adverse and material financial, operational, or other impacts. Sanctions regimes and related laws and regulations are complex and fluid and may be enacted, amended, enforced or interpreted in a manner that materially impacts our operations. To the best of our knowledge, neither we, nor our affiliates, are the subject, or have ever been the subject, of any sanctions or a related government investigation or enforcement action.

If either we or our affiliates are found to be in violation of sanctions laws, we or our affiliates could be subject to financial or other penalties. Even when a violation of sanctions laws cannot be established, government investigations or other actions of other related companies may result in reputational or other harm to us.

42. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI ICDR Regulations, our funding requirements may be subject to change based on various factors which are beyond our control. For further details, please see the section titled "***Objects of the Offer***" on page 100.

43. A substantial portion of the Net Proceeds will be utilized for repayment/pre-payment of loans of subsidiary companies

Our Company intends to deploy ₹ 1,000 million towards repayment/pre-payment of various borrowings availed by certain of our Subsidiaries, as indicated in the section titled "***Objects of the Offer***" on page 100. The scheduled repayment/pre-payment of the loans is subject to various factors including (i) any conditions attached to the loans restricting our ability to pre-pay the loans and time taken to fulfil such requirements; (ii) levy of any pre-payment charges or penalties and the quantum thereof; (iii) provisions of any law, rules, regulations and contracts governing such borrowings; and (iv) other commercial considerations, including, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan.

Further, deployment of a substantial portion of the Net Proceeds toward repayment of borrowing of our Subsidiaries may adversely affect our operational flexibility, business, results of operations and prospectus.

44. Any variation in the utilisation of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.

We propose to utilize the Net Proceeds for the following purposes:

- Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya;
- Repayment/prepayment, in full or in part, of certain loans availed of by our Company and certain of our Subsidiaries, VPHPL and NSHPL; and
- General corporate purposes.

For further details of the proposed objects of the Offer, see the section titled "***Objects of the Offer***" on page 100.

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected.

Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

45. We have overseas exports and operations and are subject to risks associated with doing business internationally.

In Fiscal 2016, we exported our print content to 19 countries and our digital content to 5 countries including countries in the Middle East, Africa and Asia. Our ability to continue to generate revenue and increase demand for our services outside of India depends in significant part on our business partners. Changes in relationships with such business partners, non-adherence to service standards or other contractual breaches or irregularities may adversely affect our business. We cannot assure you that we will be able retain or attract business partners who have the business abilities or financial resources necessary to develop and operate their businesses on schedule, or who will conduct operations in a manner consistent with our standards and requirements. Any inability to retain existing or attract new business partners could impact our ability to successfully grow our business internationally and could have a material adverse effect on our business, financial condition and results of operations.

There are a number of risks in having overseas operations and sales, where we have less experience, including political and economic uncertainty, social unrest, sudden changes in laws and regulations, shortages of trained labor and the uncertainties associated with entering joint ventures or similar arrangements in foreign countries. These risks may impact our ability to expand our operations in different regions and otherwise achieve our objectives relating to our foreign operations. In addition, compliance with multiple and potentially conflicting foreign laws and regulations, import and export limitations and exchange controls is burdensome and expensive. Our foreign operations also subject us to the risks of international terrorism and hostilities and to foreign currency risks, including exchange rate fluctuations and limits on the repatriation of funds.

46. The statistical and market information contained in this Red Herring Prospectus relating to India and the educational content provider industry has been derived or extracted from the Nielsen and Technopak Research Reports commissioned by us and from various government and other publicly-available

publications.

The statistical and market information contained in this Red Herring Prospectus relating to India and the educational content provider industry have been derived or extracted from the Nielsen and Technopak Research Reports commissioned by us, and from government publications and reports from other publicly-available publications that we believe are reliable. These statistics and market information include the data and statistics included in the section entitled "***Industry Overview***" on page 119. Investors should note that Technopak and Nielsen were engaged to prepare the Nielsen and Technopak Research Reports, respectively, for use in this Red Herring Prospectus. Nielsen and Technopak have advised that the statistical and other market information contained in each of the Nielsen and Technopak Research Reports and reproduced in this Red Herring Prospectus is drawn from sources that they consider reliable. As this Red Herring Prospectus contains information from an external industry report we do not guarantee the accuracy, adequacy or completeness of the information and disclaim responsibility for any errors or omissions in the information or for the results obtained from the use of the information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. There is no standard data gathering methodologies in the industry in which we conduct business, and the methodologies and assumptions may change based on various factors.

Investors should also note that no independent verification has been carried out on any facts or statistics that are directly or indirectly derived from official government publications, other publications, as well as the Nielsen and Technopak Reports and such reports are not a recommendation to invest or disinvest in the Company. We believe that the sources of the information are appropriate sources for such information. We and our affiliates or advisors or any other party involved in the Offer, other than Nielsen and Technopak with respect to the information contained in such reports, make no representation as to the accuracy or completeness of such information. Such statistics and other market information may not be consistent or comparable to statistics compiled elsewhere and should not be unduly relied upon.

47. Certain documents in relation to educational qualifications and experience for certain of our Directors and Key Management Personnel are not available and reliance has been made on declarations and affidavits furnished by such Directors and Key Management Personnel for details of their profiles included in this Red Herring Prospectus.

Certain of our Directors and Key Management Personnel have been unable to trace copies of documents pertaining to their educational qualifications and prior professional experience. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by these Directors and Key Management Personnel to us and the BRLMs to disclose details of their educational qualifications and professional experience in this Red Herring Prospectus. We have been unable to independently verify these details prior to inclusion in this Red Herring Prospectus. Further, there can be no assurances that our Directors and Key Management Personnel will be able to trace the relevant documents pertaining to their qualifications and prior experience in future, or at all.

48. Our debt financing agreements contain restrictive covenants that may adversely affect our business, credit ratings, prospects, results of operations and financial condition.

Certain of our debt financing agreements contain restrictive covenants and/or events of default that limit our ability to undertake certain types of transactions. These agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities. These debt financing agreements also require us to maintain certain financial covenants. For further details, please see the section titled "***Financial Indebtedness***" on page 416.

We cannot assure you that we have complied with all such restrictive covenants in a timely manner, or at all, or that we will be able to comply with all such restrictive covenants in the future. Further, during any period in which we are in default, we may be unable to raise, or may face difficulties raising, further financing. In such eventuality, other third parties may have concerns over our financial position. Any of these circumstances could adversely affect our business, credit ratings, prospects, results of operations and financial condition. Additionally, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

49. Any unsecured loans drawn by us, our Promoter and Group Companies or associates may be recalled by the lenders at any time, which may adversely affect our business, financial condition, results of operation and prospects.

We along with our Promoter and Group Companies and associates take unsecured loans in the ordinary course of business, including overdraft limits from banks, which may be recalled by the respective lenders at any time, including on account of any default, non-compliance under the terms of the relevant financing arrangements or for other reasons that may be beyond our visibility and control.

For more information on our borrowings, see "***Financial Indebtedness***" on page 416.

50. The examination report on Restated Consolidated Financial Statements indicates certain emphasis of matter which were given in auditors' report. The auditors' report on our financial statements contain certain matters of emphasis and other qualifications included in the annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2016, 2015 and 2003 (as amended.)

The examination report on Restated Consolidated Financial Statements indicates certain emphasis of matter which were given in auditors' report. The auditors' report on our consolidated financial statements for the last five Fiscal contain certain matters of emphasis and other qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2015. Also, the auditors' report on our unconsolidated financial statements for the last five Fiscal contain certain other qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2016, 2015 and 2003 (as amended). There is no assurance that our auditors' reports for any future Fiscal periods will not contain qualifications or matters of emphasis or that such qualifications or matters of emphasis will not require any adjustment in our financial statements for such future periods or otherwise affect our results of operations in such future periods.

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations- Auditor Reservations, Qualifications or Matters of Emphasis"*** on page 453.

51. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by the Company and the Selling Shareholders, in consultation with the BRLMs, through the Book Building Process. This price will be based on numerous factors, as described under "***Basis for Offer Price***" on page 114 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. Further, certain of the BRLMs have previously handled issues wherein the market price of the issued shares declined below the issue price of shares within 30 days of their listing and in certain cases continued to trade at a price lower than their listing price on the 180th day from listing. We cannot, therefore assure you that investors will be able to resell their Equity Shares at or above the Offer Price. For details of past issues handled by the BRLMs, please refer to "***Other Regulatory and Statutory Disclosures – Price Information of Past Issues handled by the BRLMs***" on page 489.

52. We will only receive the proceeds from the Fresh Issue and will not receive the proceeds from the Offer for Sale.

The Offer comprises a Fresh Issue of Equity Shares by the Company and an Offer for Sale of Equity Shares by the Selling Shareholders. The entire proceeds of the Offer for Sale will be transferred to the Selling Shareholders and the Company will not receive any of the proceeds from the Offer for Sale and thus will not result in any creation of value for us or in respect of your investment in our Company.

EXTERNAL RISK FACTORS

53. Recent global economic conditions have been unprecedented and challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscal 2008 and 2009 adversely affected market prices in the global securities markets, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, including with respect to the laws and regulations that will apply as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal. The referendum has also given rise to calls for the governments of other European Union member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

54. Uncertainty of impact of the withdrawal of banknotes by the Government of India.

The Ministry of Finance, Government of India issued a notification S.O. 3407 (E) dated November 8, 2016 declaring that with effect from November 9, 2016 bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees shall cease to be legal tender. The Reserve Bank of India issued notification no. RBI/2016-17-112: DCM(Plg) No. 1226/10.27.00/2016-17 dated November 8, 2016 containing instructions to all banks with respect to withdrawal of legal tender character of these specified bank notes ("**Demonetization**").

Demonetization has created certain liquidity issues for cash transactions in India which is expected to continue in the short-term. Economists expect that these liquidity issues may cause Indian economic growth to slow in the near term; however, the actual economic impact on the Indian economy is uncertain. We are unable to quantify the impact of Demonetization on our business or the Indian economy and make no assurance whether or not such Demonetization could materially and adversely affect our business, results of operation, cash flows and financial condition.

For further information, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Uncertainty of impact of the withdrawal of banknotes by the Government of India***" on page 424.

55. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind (AS) and IFRS, which may be material to investors' assessments of our financial condition.

We prepare our annual and interim financial statements under Indian GAAP. We are required to prepare annual and interim financial statements under Indian Accounting Standards ("**Ind (AS)**") from Fiscal 2018 as required

under Section 133 of the Companies Act 2013 read with Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. We have not attempted to quantify the impact of US GAAP, IND AS or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IND AS or IFRS. US GAAP, IND AS and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP and accounting practices. Any reliance by persons not familiar with Indian GAAP and accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. For further details in relation to the impact of IND (AS) on the preparation and presentation of our financial statements, please refer to the chapter "***Summary of Significant Differences between Indian GAAP and IND (AS)***" on page 463.

56. Public companies in India, including us, are required to prepare financial statements under IND AS and compute Income Tax under the Income Computation and Disclosure Standards (the "ICDS"). The transition to IND AS and ICDS in India is very recent and we may be negatively affected by such transition.

Our financial statements, including the Restated Financial Statements included in this Red Herring Prospectus are prepared in accordance with Indian GAAP financial statements, which are restated as per the SEBI ICDR Regulations. The Ministry of Corporate Affairs, Government of India, pursuant to a notification dated February 16, 2015, set out the timelines for the implementation of IND AS. Accordingly, we are required to prepare our financial statements in accordance with IND AS from April 1, 2017, as required under Section 133 of the Companies Act 2013 read with Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. IND AS is different in many aspects from Indian GAAP under which our financial statements are currently prepared and presented. For instance, financial instruments being classified as equity or financial liabilities based on the substance of the contractual arrangement rather than legal form, accounting policies related to determination of control for consolidation, accounting of acquisitions/business combinations, recording of minority interest, accounting for leases and revenue sharing arrangements, accounting of deferred taxes, use of fair value for recording assets and liabilities, classification of financial assets and liabilities, disclosure impact in connection with financial instruments, segment reporting, related party disclosures, interim financial reporting, in terms of IND AS are different from the accounting policies for these items under Indian GAAP. Similarly, the Ministry of Finance, Government of India, has issued a press release dated July 6, 2016, stating that ICDS shall be applicable with effect from April 1, 2016, i.e. previous year 2016-17 (assessment year 2017-18). Therefore, ICDS will have a direct impact on computation of taxable income of our Company from Fiscal 2017 onwards.

Further, there can be no assurance that the adoption of IND AS will not affect our reported results of operations, cash flows or financial condition. Our management is devoting and will continue to need to devote time and other resources for the successful and timely implementation of IND AS. A failure to successfully transition into the IND AS regime may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences against us. Moreover, our transition to IND AS reporting may be hampered by increasing competition and increased costs for the relatively small number of IND AS-experienced accounting personnel available as more Indian companies begin to prepare IND AS financial statements. There is not yet a significant body of established practice from which to draw references/judgments regarding the implementation and application of IND AS. Any of these factors relating to the use of IND AS may adversely affect our financial condition, results of operations and cash flows. For further details in relation to the impact of IND (AS) on the preparation and presentation of our financial statements, please refer to the chapter "***Summary of Significant Differences between Indian GAAP and IND (AS)***" on page 463.

57. Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer. Moreover, the Offer Price is intended to be determined through a book-building process and may not be indicative of the price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

58. Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

59. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. In accordance with the foreign exchange regulations currently in force in India, under certain circumstances the RBI must approve the sale of the equity shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet the requirements specified by the RBI. The RBI must approve the conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a stock exchange in India through a stock broker at the market price. As provided in the foreign exchange controls currently in effect in India, the RBI has provided the price at which the equity shares are transferred based on a specified formula, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

60. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and all our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and therefore our results of operations, may include:

- any increase in Indian interest rates or inflation;
- political instability, a change in government or a change in the economic and deregulation policies;
- domestic consumption and savings;
- balance of trade movements, namely export demand and movements in key imports (oil and oil products);
- annual rainfall which affects agricultural production;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;

- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its education and technology sector.

High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operation, cash flows and financial condition and the price of the Equity Shares.

61. Communal disturbances, riots, terrorist attacks and other acts of violence or war involving India and/or other countries, health epidemics and natural calamities could adversely affect India's economy and the financial markets, result in loss of client confidence, and adversely affect the price of our Equity Shares, our business, results of operations and financial condition.

India has experienced communal disturbances, terrorist attacks and riots during recent years. Any major hostilities or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business and may adversely affect the Indian stock markets where our Equity Shares will trade as well as global equity markets generally. Such acts could negatively impact business sentiment and consumer confidence, which could adversely affect our business and profitability.

India and other countries may enter armed conflict or war with other countries or extend pre-existing hostilities. Military activity or terrorist attacks could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This could adversely affect client confidence in India, which could have a negative impact on the economies of India and other countries, on the markets for our products and services and on our business.

Since 2003, outbreaks of Severe Acute Respiratory Syndrome in Asia, avian influenza across Asia and Europe, Ebola virus in western Africa, and Influenza A (H1N1) across the world have adversely affected a number of countries and companies. Any future outbreak of infectious diseases or other serious public health epidemics may have a negative impact on the economies, financial markets and level of business activity in affected areas, which may adversely affect our business. India has also experienced natural calamities such as earthquakes, floods, drought and a tsunami in the recent past. The length and severity of these natural disasters determine the extent of their impact on the Indian economy. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy.

Such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares, and adversely affect our business, results of operations and financial condition.

62. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares and/or the ability of others to acquire us, which could prevent us from operating our business or entering a transaction that is in the best interests of our shareholders.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

Additionally, as an Indian company, we are subject to exchange controls that regulate borrowing in foreign

currencies. Such regulatory restrictions limit our financing sources for our business and could therefore constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business, results of operations and financial condition.

63. Changes in laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax law could adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

Taxes and other levies imposed by the Government of India or state governments in India that affect our industry include central and state sales tax and other levies, income tax, service tax and other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time. Any adverse change in Indian tax rules and regulations or policy may have an adverse effect on our business, financial condition and results of operations.

In addition, the Indian Parliament has recently approved the adoption of a comprehensive national goods and services tax ("**GST**") regime that combines taxes and levies by the Central and State Governments into a unified rate structure which has received the assent of the President of India. We may be impacted by the introduction of the GST, including, the increase of our working capital requirements, since transactions, including transfer of stock will be subjected to GST. We are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST.

Further, the GAAR was effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to S Chand, it may have an adverse tax impact on us.

We have not determined the impact of such proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

64. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Offer.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until closure of the Offer.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

65. Investors may have difficulty enforcing foreign judgments against us or our management

We are a limited liability company incorporated under the laws of India. Substantially all our directors and executive officers are residents of India and a substantial portion of our assets and such persons are located in

India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. Such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Indian central government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees, which are dissimilar to amounts payable in respect of taxes, other charges of a like nature, a fine or other penalties.

We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters, other than arbitration awards. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

66. Fluctuation in the value of the Rupee against foreign currencies may have an adverse effect on our results of operations.

While most of our revenues and our expenses are denominated in Indian Rupees, we have and may enter agreements, including financing agreements and agreements to acquire components and capital equipment, which are denominated in foreign currencies and require us to bear the cost of adverse exchange rate movements. Accordingly, any fluctuation in the value of the Rupee against these currencies has and will affect the cost of servicing and repaying any obligations we may incur that expose us to exchange rate risk.

67. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by our Company.

If you are a foreign investor and the law of the jurisdiction that you are located in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by you, your proportional interest in the Company would be reduced.

68. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

69. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law, including those related to class actions, may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in an Indian company than as a shareholder of a corporation in another jurisdiction.

70. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect us.

A decline or future material decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our business, results of operations and financial condition.

Prominent Notes:

1. Our Company was incorporated as 'S. Chand & Co. Private Limited' on September 9, 1970 as a private limited company under the Companies Act, 1956 with the RoC Delhi. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956 and, the RoC Delhi certified our change of name to 'S. Chand & Co. Limited' on May 6, 1976 upon such conversion. Thereafter, pursuant to the approval of the Central Government dated April 30, 1986 under Section 43A(4) of the Companies Act, 1956, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S. Chand And Company Private Limited' was issued by the RoC on May 21, 1986. Subsequently, our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956 on October 3, 1988 and accordingly, upon such conversion, our name was changed to 'S. Chand And Company Limited'. Our Company, pursuant to a special resolution dated February 23, 2001, converted from a deemed public limited company under Section 43A(1) of the Companies Act, 1956 to a public limited company under Section 31 and

Section 21 read with Section 44 of the Companies Act, 1956 and, upon such conversion, the RoC certified our change of name to 'S. Chand And Company Limited' on November 7, 2001. Pursuant to the approval of the Central Government dated August 8, 2012, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S Chand And Company Private Limited' was issued by the RoC on August 8, 2012. Our Company was converted into a public limited company under the Companies Act, 2013 and a certificate of incorporation certifying our change of name to S Chand And Company Limited was issued by the RoC on September 8, 2016. For further details, see "***History and Certain Corporate Matters***" on page 157.

Other than the change in name of our Company on account of conversion from private to public, there has been no change of name of our Company at any time during the last three years immediately preceding the date of filing this Red Herring Prospectus.

2. Initial public offering of [●] Equity Shares of face value ₹ 5 each of our Company, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●], consisting of a Fresh Issue of [●] Equity Shares by our Company aggregating up to ₹ 3,250 million and an Offer for Sale by the Selling Shareholders of up to 6,023,236 Equity Shares aggregating up to ₹ [●] million. The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

3. The net worth of our Company as of December 31, 2016 was ₹ 4,536.29 million and as of March 31, 2016 was ₹ 4,839.48 million on the basis of the Restated Unconsolidated Financial Statements. Further, the net worth of our Company as of December 31, 2016 was ₹ 5,064.60 million and as of March 31, 2016 was ₹ 5,964.61 million on the basis of the Restated Consolidated Financial Statements.

4. The net asset value per Equity Share* of our Company as of December 31, 2016 was ₹ 152.00 and as of March 31, 2016 was ₹ 162.16 on the basis of the Restated Unconsolidated Financial Statements. Further, the net asset value per Equity Share of our Company as of December 31, 2016 was ₹ 169.70 and as of March 31, 2016 was ₹ 199.86 on the basis of the Restated Consolidated Financial Statements.

**After considering the impact of changes in the face value of equity shares from ₹ 10 to ₹ 5 per share and bonus shares subsequent to Fiscal ended March 31, 2016.*

5. The average cost of acquisition of Equity Shares by the Promoters is as follows:

Name of Promoter	Number of Equity Shares held by our Promoters*	Average cost of Acquisition (*in ₹ per Equity Share*)
Mr. Himanshu Gupta	6,167,752	3.55
Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	15.97
Ms. Neerja Jhunjhnuwala	3,553,036	10.60

**After considering the impact of changes in the face value of equity shares from ₹ 10 to ₹ 5 per share and bonus shares subsequent to Financial Year ended March 31, 2016.*
As certified by J P Chawla & Co. LLP, Chartered Accountants by the certificate dated March 30, 2017.

6. The average cost of acquisition of Equity Shares by the Selling Shareholders, other than our Promoters, is as follows:

Name of the Selling Shareholders	Number of shares held by the Selling Shareholders*	Average cost of acquisition of Equity Shares (₹)
Ms. Nirmala Gupta	720,168	61.61
Ms. Savita Gupta	1,312,316	21.31
Ms. Ankita Gupta	984,348	19.97
Mr. Gaurav Kumar Jhunjhnuwala	606,800	54.59
Everstone Capital Partners II LLC	9,629,472	270.00

**After considering the impact of changes in the face value of equity shares from ₹ 10 to ₹ 5 per share and bonus shares subsequent to Financial Year ended March 31, 2016.*
As certified by J P Chawla & Co. LLP, Chartered Accountants by the certificate March 30, 2017.

7. For information regarding the business or other interests of our Group Companies in our Company see "***Our***

Group Companies" and "***Related Party Transactions***" on pages 199 and 205, respectively.

8. For details of transactions between our Company and our Group Companies during the nine months ended December 31, 2016 and the last financial year, including the nature and cumulative value of the transaction, see "***Related Party Transactions***" on page 205.

9. There has been no financing arrangement whereby our Promoters, our Company, our Promoter Group, the Directors or their relatives have financed the purchase by any other person of securities of the our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the filing of the Draft Red Herring Prospectus.

10. Investors may contact the BRLMs who have submitted the due diligence certificate to the SEBI or the Registrar to the offer for any complaints, information or clarification pertaining to the Offer.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

*The information in this section has been extracted from reports published by Nielsen (the "**Nielsen Research Report**") and Technopak (the "**Technopak Research Report**") commissioned by the Company, as well as publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources.*

Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor any of the Book Running Lead Managers or any of their respective advisors, and should not be relied on as if it had been so verified.

In this section, references to "we", "our" or "the Company" are to S Chand And Company Limited and its Subsidiaries on a consolidated basis.

Overview of the Indian Economy

India is one of the fastest growing economies in the world. Over the past three years, India has experienced an average annual increase in its GDP of approximately 7.0%, a 7.6% real GDP growth rate in 2015 - 2016 and a World Bank real GDP growth forecast of greater than 8% in 2016 - 2017 (*Source: Nielsen Research Report*)**.** Positive macroeconomic indicators, the Indian government adoption of reforms on foreign direct investment in various sectors, the passage of the Goods and Services Tax Bill, the proliferation of public sector investments coupled with a low fiscal deficit, low crude import prices, declining inflationary pressures and gradual improvement in business confidence present a favorable picture for India's GDP growth. According to the Nielsen Research Report, the Indian economy has the potential to become the world's 3rd largest economy by the next decade, and one of the largest economies by the mid-century. According to the IMF, the Indian economy is the "bright spot" in the global landscape. India also was the top country on the World Bank's growth outlook for the first time in 2015 - 2016. (*Source: Nielsen Research Report*)

The long-term growth prospects of the Indian economy are driven by India's young population, rising affluence, increasing GDP per capita, rising disposable income levels, healthy savings and investment rates, and increasing spend in the discretionary income. India offers significant market potential due to its sizeable population, a burgeoning middle class and its young population, the largest in the world, with a median age of 27.6 years (*Source: CIA Fact Book*). India's current consumption expenditure as a percentage share of the total GDP is 54%. Although currently lower than industrialized countries, it is estimated that India's household consumption expenditure will increase from US$1,234 billion in 2016 to US$1,580 billion by 2020 and will surpass the household consumption expenditure of other comparable newly industrialized economies such as Brazil (*Source: Technopak Research Report*). A comparison of India's consumption expenditure with other countries is provided below.

Total Private Final Consumption Expenditure (USD bn)

Country	2008	2009	2010	2011	2012	2013	2014	2015	2016	2020P	Contribution to GDP*
United Kingdom	1,790	1,493	1,552	1,665	1,694	1,737	1,819	1,884	1,832	1,978	66%
Germany**	2,071	1,957	1,915	2,095	1,978	2,087	2,207	2,116	1,965	1,867	57%
Brazil**	974	990	1,278	1,494	1,408	1,406	1,421	1,401	1,368	1,275	60%
India	706	781	957	1,073	1,061	1,072	1,095	1,168	1,234	1,580	54%
China	1,608	1,809	2,079	2,615	3,019	3,447	3,760	4,102	4,553	7,095	40%
United States	10,014	9,847	9,916	10,258	10,374	10,493	10,642	10,965	11,286	12,182	67%

Source : World Bank, Technopak Research & Analysis

*2016

**Germany & Brazil's currency has depreciated significantly in the past few years

Year mentioned is FY; The projection for 2020 has been arrived at by considering the growth trends for the past eight years.

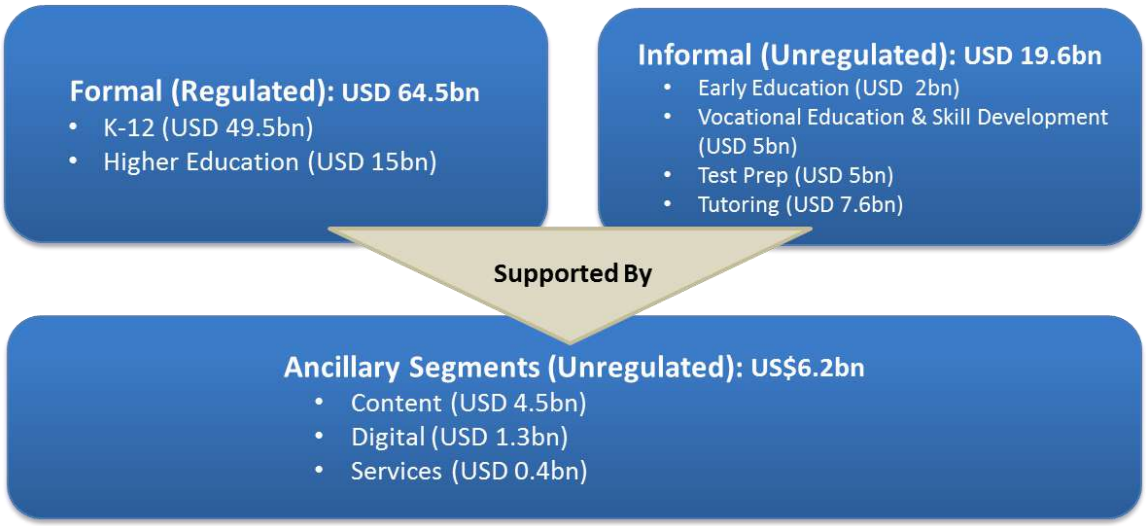
India's increasing GDP growth has aided the rise in income levels and spending power. As India's per capita GDP levels and spending levels have increased, the share of spend in discretionary items has also increased from 53% in 2005 to 59.4% in 2016. Discretionary items include non-basic goods and services, including education, communication, transportation and medical care. The education sector has been a key beneficiary of India's economic growth and favorable demographic profile, illustrated by the fast growth of education amongst other discretionary expenditure items. As shown by the table below, the share of spend on education has increased from 4% in 2005 to 5% in 2015.

Particulars (% of GDP)	2005	2012	2013	2014	2015	2016	2020 (P)
Non-Discretionary							
Food, Beverages and Tobacco	41%	34.2%	35.4%	34%	35%	33.7%	32.3%
Clothing and Footwear	6%	4.9%	5.1%	4.9%	5%	4.8%	4.6%
Total Non-Discretionary	47%	39.2%	40.5%	38.9%	40.0%	38.5%	36.9%
Discretionary							
Housing and Utilities	12%	11.2%	11.8%	11.5%	12%	11.7%	12%
Household Products	3%	2.8%	2.9%	2.9%	3%	2.9%	3%
Personal Products & Services	8%	8.1%	8.6%	8.5%	9%	8.9%	9.5%
Medical Care and Health Services	7%	7.8%	8.4%	8.4%	9%	9%	10.2%
Transport	17%	17.1%	18.2%	18%	19%	18.8%	20.1%
Communication	2%	2.5%	2.7%	2.8%	3%	3.1%	3.7%
Education	4%	4.4%	4.7%	4.7%	5%	5%	5.6%
Total Discretionary	53%	53.9%	57.3%	56.7%	60%	59.4%	64.1%
Private Final Expenditure in the Domestic Market	100%	100%	100%	100%	100%	100%	100%

(*Source: Technopak Research Report*)

Education Sector in India

As presented in the chart below, the education sector in India is broadly classified into formal and informal segments, both of which are supported by the ancillary segment.



(*Source: Technopak Research Report*)

Note: The informal education segment and the ancillary education segment include organized and unorganized providers.

The formal education segment comprises both K-12 schools (including secondary and senior secondary schools) and higher education institutions (colleges, higher education institutes). Whether government or privately owned, this segment is governed by the 'not for profit' diktat, meaning that such educational institutions in India cannot be operating on a 'for profit' basis.

The informal segment comprises test preparation, tutoring, early education and vocational/skill-based training segments. The informal segment does not have restrictions on operating on a 'for profit' basis and does not have restrictions on profit distribution. (*Source: Technopak Research Report*)

The ancillary segment consists of industries related and supplementary to the formal and informal education segments. As is the case with the informal education segment, ancillary education does not have restrictions on operating on a 'for profit' basis and does not have restrictions on profit distribution. The ancillary segment includes content/publishing, digital content and services such as curriculum management, facilities management among others. It is believed that ancillary or peripheral services are taking on an increasingly 'central' role in education. The ancillary segment is expected to increase the overall quality of education provided in India and stands to benefit from the large-scale growth in the formal and informal education segments. Increase in investment in the ancillary segment is projected given the ability to operate on a 'for profit' basis in India. (*Source: Technopak Research Report*)

The formal, informal and ancillary segments are collectively estimated at US$90 billion as of 2015 and expected to reach US$188 billion by 2020. India has a large population in the education age bracket, consisting of students aged 5-24, which stood at approximately 520 million as of 2016. This is expected to grow to approximately 534 million in 2020. In addition to the growing population, the reduction in drop-out rates is expected to contribute to increase in market size.

The Right to Education Act (RTE Act) is one of the hallmarks of the Government of India's policy which emphasizes the need to implement educational initiatives that leads to increased enrollment ration across all education segments in the coming years. The focus of the Government of India is to enroll 'out of school' children, reduce dropouts and implement as clearly set out in the objectives stipulated in the RTE Act.

SUMMARY OF OUR BUSINESS

Certain data included in this section in relation to certain operating metrics, financial and other business information and data (such as the number of books sold, titles printed, authors, co-authors, employees, warehouses, dealers and distributors) have been reviewed and verified by J. P. Chawla & Co. LLP, independent Chartered Accountants and third party consultants and not been independently verified by the BRLMs.

In this section, references to "we" and "our" are to S Chand And Company Limited and its Subsidiaries on a consolidated basis and references to Chhaya are to Chhaya Prakashani Private Limited and its subsidiaries on a consolidated basis.

*Our consolidated operating revenue as set forth in this section include our subsidiaries as consolidated in our consolidated restated financial statements as set forth in the section entitled "**Financial Statements**" on page 207.*

Our acquisition of 74% of the share capital of Chhaya Prakashani Private Limited was completed on December 5, 2016. We have consolidated the financial statements of Chhaya as at December 31, 2016 and for the period from December 6, 2016 to December 31, 2016 in our Restated Consolidated Financial Statements for the nine months period ended December 31, 2016. The financial statements of Chhaya have not been consolidated in our Restated Consolidated Financial Statements for Fiscal 2016 or any prior Fiscal Year. In addition, all statistics set forth in this section do not include Chhaya, unless otherwise indicated.

Overview

We are a leading Indian education content company in terms of revenue from operations in Fiscal 2016. (*Source: Nielsen Research Report*). We deliver content, solutions and services across the education lifecycle through our K-12, higher education and early learning segments. We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India. As of December 31, 2016, we offered 55 consumer brands across knowledge products and services including *S. Chand, Vikas, Madhubun, Saraswati, Destination Success* and *Ignitor*. We believe that these brands have benefited by our strong brand management philosophy which embraces consistent efforts to upgrade content quality and to update content regularly. Further, in December 2016, we acquired 74% of the outstanding share capital of Chhaya Prakashani Private Limited (our "**Chhaya Acquisition**"), and we now offer four Chhaya brands including *Chhaya* and *IPP*. Our textbooks and instructional materials are supported by our offering of technology driven methods of education and digital learning. We sell our knowledge products and services to schools and to students across their lifecycle through our extensive pan-India network of sales offices, distributors and dealers.

In Fiscal 2016, we sold 35.47 million copies of a total of 11,144 titles. Additionally, Chhaya sold 9.88 million copies of 433 titles in Fiscal 2016. Our top ten best-selling titles accounted for sales in Fiscal 2016 of 2.96 million copies, and 15 of our authors have each sold over one million copies of their titles during the last five fiscal years. We have a contractual relationship with at least 1,958 authors (including co-authors) for over five years as on March 31, 2016. Additionally, Chhaya has contractual relationships with at least 24 authors (including co-authors) for over five years as on March 31, 2016. We use our track record of progressing authors' careers and providing on-going editorial team support to authors for creating new products and solutions and refreshing existing products to help us retain and attract the best authors.

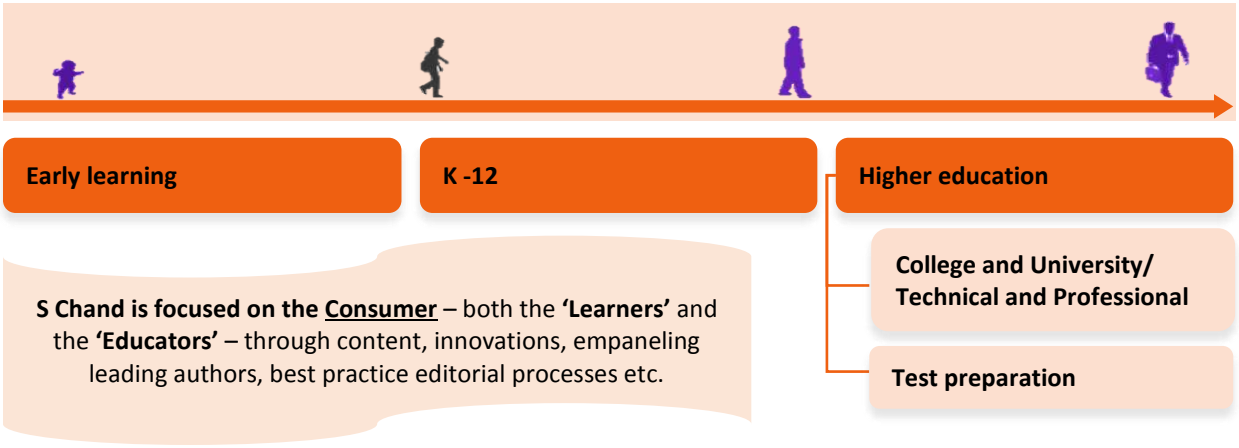
As of December 31, 2016, our distribution and sales network (not including Chhaya) consisted of 4,932 distributors and dealers, and we had an in-house sales team of 838 professionals working from 52 branches and marketing offices across India. Our Chhaya Acquisition has expanded our presence in Eastern India to include an additional 771 distributors and dealers as of December 31, 2016. We consider our schools, teachers and student customers to be our "touch points", and our sales teams are responsible for forging relationships with our customers across our K-12, higher education and early learning businesses. In our K-12 business, we market our content to educators and schools to place our products on prescribed and recommended reading lists. In higher education and early learning, we market our products directly to distributors, dealers and consumers.

We have developed a robust supply chain by rationalizing and integrating our procurement, manufacturing and

logistic capabilities. In Fiscal 2016, over 85% of our printing requirements were met by our facilities located in Sahibabad and Rudrapur. Our print facilities and distribution networks are supported by our logistics network, which as on December 31, 2016, comprised 42 warehouses located in 19 states to allow coverage across India. Our paper purchases are integrated, which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

Since the establishment of our predecessor S. Chand & Co. over seventy years ago, our operations cover the entire student lifecycle: early learning, K-12, and higher education. Over the last few years, we have focused on improving our digital offerings in each of our business segments.

The following diagram illustrates our participation in the education lifecycle through these business segments:



Our K-12 business

We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen. Within the K-12 education content market, CBSE and ICSE affiliated schools are the largest portion of our business, and we are also working to build our position in unaffiliated and state board affiliated schools.

Our K-12 content portfolio includes titles developed by authors and developed in-house by our editorial teams ("home grown"). We offer K-12 textbooks, reference materials and hybrid content products. To complement and diversify our home-grown product portfolio and our *S Chand* brand, we acquired the *Madhubun* and *Vikas* brands in Fiscal 2013 pursuant to the acquisition of VPHPL to bolster our offering in Hindi language titles and, in Fiscal 2015, we acquired NSHPL and the *Saraswati* brand for its strength in languages and arts and crafts titles. Through the Chhaya Acquisition, we expanded our presence in Eastern India as well as strong regional brands. As part of our business strategy, we have enhanced our offering from only printed content to hybrid offerings (which includes digitally enabled content with print) and also provide supplemental services in digital education domains.

Through our pan-India sales teams, we market our content and services to schools, educators and students for placement on prescribed and recommended reading lists. We sell the requested K-12 content to our distributors for re-sale to K-12 institutions and students.

Our major K-12 offerings are *S Chand, Vikas, Madhubun, Saraswati, Ignitor* and *Destination Success* as well as the *Chhaya* and *IPP* brands added recently as part of our Chhaya Acquisition. K-12 is our largest business, contributing to 72.49% of our consolidated operating revenue in Fiscal 2016, amounting to ₹3,898.21 million. From Fiscal 2012 to Fiscal 2016, our K-12 consolidated operating revenue grew at a CAGR of 46.83%.

Our higher education business

Our higher education content business covers two components: test preparation and college and university/technical

and professional. In the higher education segment, we offer printed content and hybrid content products. Higher education is our second largest business and it contributed 23.85% of our consolidated operating revenue in Fiscal 2016, amounting to ₹1,282.31 million. From Fiscal 2012 to Fiscal 2016, our higher education consolidated operating revenue grew at a CAGR of 11.28%.

Test preparation

We are a provider of material required for test preparation in competitive exams, including entrance examinations and examinations required for government positions. Our print content is complemented by digital learning solutions and online assessment tools. In Fiscal 2016, our most popular test preparation subjects were quantitative aptitude, verbal and non-verbal reasoning and mathematics. Major test preparation brands offered include *S Chand, Ignitor, Testbook* and *Online Tyari*. In Fiscal 2016, we printed 109 titles, and sold 1.98 million test preparation books.

Test preparation contributed to 10.76% of our consolidated operating revenue in Fiscal 2016, amounting to ₹578.50 million. From Fiscal 2012 to Fiscal 2016, our test preparation business consolidated operating revenue grew at a CAGR of 15.31%.

College and University/ Technical and Professional

We provide students, instructors and institutions with content for college and university courses, including accounting, economics, physics and medicine, as well as customized content for distance learning. We have a library of titles covering a substantial spectrum of subjects, written by some of the top authors in their respective fields. Our *S Chand* brand has a strong focus in chemistry, commerce, management and physics and our *Vikas* brand is strong in commerce and management.

In addition, we provide technical and professional titles for instructors and institutions which cover a range of courses including engineering, applied sciences and computer sciences. Our products include print content and digital products that are easily accessible by students and professional customers. Primary technical and professional brands offered by us are *S Chand and Vikas*.

In Fiscal 2016, we sold 2,920 titles and over 2.86 million books in our college and university/technical and professional business. College and university/technical and professional contributed to 13.09% of our consolidated operating revenue in Fiscal 2016, amounting to ₹703.81 million. From Fiscal 2012 to Fiscal 2016, our college and university/technical and professional consolidated operating revenue grew at a CAGR of 8.43%.

Our digital and service offerings

We focus on digital education across our K-12 and higher education business segments. We plan to use digital technology to innovate learning and content delivery as a complementary offering to our K-12 and higher education segments. Over the last three years, we have coupled our print content with digital and interactive methods of learning, thereby providing with flexibility in the delivery of content to students. Hybrid print and digital products complement our existing print content with online applications and interactive learning. Our aim is to lead the transition to digital in the knowledge industry. To achieve our aim, we have strategically invested for growth both through organic build out and through investment in early stage education companies.

In the K-12 business segment, we offer digital solutions to improve quality of learning by providing content solutions for classrooms, for devices and through other emerging methods. We have presence in the classroom learning segment through our licensed brand *Destination Success*, presence in device based learning through our in-house brands, *Mystudygear* and *Intellitab*, as well as through an investee company brand *Ignitor* and presence in other segments of K-12 through our investments in *Smartivity* (STEM based learning) and *Flipclass* (marketplace for tutoring).

In the higher education segment, our digital efforts are focused on test preparation. In test preparation, there is a gradual shift to the online examination formats and this trend has increased demand for online content and assessment solutions. We have enhanced our presence in both the content and assessment domains through our investments in Next Door Learning Solutions Private Limited (for the *Online Tyari* brand) and Testbook Edu

Solutions Private Limited (for the *Testbook* brand), which are online test preparation platforms.

In Fiscal 2016, our hybrid offering contributed 38.82% of our consolidated operating revenue from the K-12 segment and purely digital offerings contributed 5.55% of our consolidated operating revenue from the K-12 segment.

Our financial performance

Our recent financial performance is highlighted by our results of operations provided below.

(1) Our consolidated restated revenues grew at a CAGR of 32.64% over the past five Fiscal years from ₹1,746.44 million in Fiscal 2012 to ₹5,406.27 million in Fiscal 2016;
(2) Our consolidated restated EBITDA grew at a CAGR of 47.47% over the past five Fiscal years from ₹271.07 million in Fiscal 2012 to ₹1,282.16 million in Fiscal 2016;
(3) Our consolidated restated profit after tax and before minority interest grew at a CAGR of 33.48% over the past five Fiscal years from ₹146.91 million in Fiscal 2012 to ₹466.42 million in Fiscal 2016; and
(4) Chhaya's consolidated revenues was ₹1,286.23 million and ₹705.74 million and consolidated profit after tax was ₹302.35 million and ₹115.31 million, in each of Fiscal 2016 and Fiscal 2015, respectively.

The Restated Consolidated Financial Statements, Chhaya's Consolidated Financial Statements and our Pro Forma Financial Statements are set forth in the section entitled "***Financial Statements***", "***Proforma Financial Statements***" and "***Financial Statements of Chhaya Prakashani Private Limited***" on pages 207, 401 and 410, respectively.

Competitive Strengths

We believe that we have the key competitive strengths set forth below. Our competitive strengths should be read in conjunction with, and with careful consideration of, the risks to our business set forth in the section entitled "***Risk Factors***" beginning on page 16.

Comprehensive consumer focused education content player with touch points across education lifecycle

We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India. Our content, solutions and services address the education lifecycle including early learning, K-12 and higher education.

We are focused on the consumer, both students and educators, and we develop and nurture our relationships with customers by developing quality content and educational innovations, empanelling authors, creating content and employing best practice editorial processes. Our products and service offerings address the education requirements of students – these products and offerings include print content, digital and hybrid offerings across our businesses. We work closely with the educators and authors, and regularly integrate feedback received from authors, educators and students into our knowledge products to improve and innovate our offering. We believe that our strong consumer connection allows us to drive sales to students, parents and schools and also allows us to place our products on prescribed and recommended reading lists.

We believe that our business is a key beneficiary of the increasing share of education within the discretionary expenditure of the Indian consumer, and our presence across the student lifecycle allows us to generate recurring revenue throughout student's lives. Our full lifecycle approach provides us with a strategic advantage over competitors that are focused only on individual segments of the education life cycle. We have established our brand equity from the strong consumer connections that we developed during the student life cycle.

We have invested over seventy years (including our predecessor S. Chand & Co.) in knowledge and content development to arrive at our comprehensive presence in the consumer education lifecycle. We have a contractual relationship with at least 1,958 authors (including co-authors) for over five years as on March 31, 2016. Additionally, Chhaya has contractual relationships with at least 24 authors (including co-authors) for over five years as on March 31, 2016. In Fiscal 2016, we sold 35.47 million copies of our titles, and 67 of our titles sold at least

50,000 copies each.

Strong brand equity with high consumer recall

We believe our books are sold based on our strong brand equity, popular titles and author recognition. In 2016, *S. Chand* was conferred with "Business Superbrand' which is valid until the end of 2017. As of December 31, 2016, we offered 55 consumer brands including *S Chand, Vikas, Madhubun, Saraswati, Destination Success* and *Ignitor* as well as the *Chhaya* and *IPP* brands pursuant to our Chhaya Acquisition. Our consumers have high visibility of our brands, content, products and services throughout the education lifecycle. We maintain consumer brand recall by consistently upgrading content quality and augmenting content with supplementary digital and hybrid offerings.

In Fiscal 2016, we sold 35.47 million copies of our titles and Chhaya sold 9.88 million copies of its titles. Our top ten best-selling titles accounted for sales in Fiscal 2016 of 2.96 million copies, and 15 of our authors have each sold over one million copies of their titles during the last five fiscal years. We believe that we retain and attract leading authors due to our track record of progressing authors' careers. Our editors support our authors by assisting them to upgrade and update their content and to develop new content in conjunction with faculty members and experts in the various subjects.

Leading position in the K-12 market

We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India.

We are also working to build our position in the unaffiliated schools. In addition, we have evolved our print content business to include hybrid and digital learning solutions (for example, digital brands *Destination Success, mystudygear*). K-12 is our largest business segment, contributing to 72.49% of our consolidated operating revenue in Fiscal 2016, amounting to ₹3,898.21 million. In Fiscal 2016, we sold 26.78 million books in our K-12 business which reflects our wide reach to the student community. From Fiscal 2012 to Fiscal 2016, our K-12 consolidated operating revenue grew at a CAGR of 46.83%.

To complement and diversify our home-grown product portfolio and our *S Chand* brand, we acquired the *Madhubun* and *Vikas* brands in Fiscal 2013 pursuant to the acquisition of VPHPL to bolster our offering in Hindi language titles and, in Fiscal 2015; we acquired NSHPL and the *Saraswati* brand for its strength in languages and arts and crafts. Through the Chhaya Acquisition, we expanded our presence in Eastern India as well as acquired strong content brands.

By selling our content through multiple brands and sales teams, we have developed multiple touch points across our K-12 business. Through these relationships, a range of our brands and content are featured on prescribed and recommended school reading lists, which allows us to sell multiple brands, titles and subject matters. These relationships also help us to establish brand recognition amongst students in K-12 schools as they become familiar with our brands and titles through the reading lists, which we believe carries on to the higher education as students' progress through the education lifecycle. In addition, we leverage our K-12 relationships to cross-sell our digital offerings and education services such as digital classroom learning solutions, learning management solutions and assessment tools.

Strong integrated in-house printing and logistic capabilities

We have developed a robust supply chain ensuring optimization of our back-end operations and processes. This has been achieved by rationalizing and integrating our procurement, manufacturing and logistic capabilities.

We have fully integrated our printing needs and capabilities, such that in Fiscal 2016, over 85% of our printing requirements were met by our facilities located in Sahibabad and Rudrapur. During Fiscal 2015 and Fiscal 2016, our capital expenditure has been over ₹453.54 million to set up our printing facility in Sahibabad. Our total printing capacity was enhanced from 15 tons of paper per day in Fiscal 2014 to 55 tons of paper per day in Fiscal 2016. Our printing facilities have a capacity to print up to 64.24 million pages per day.

By integrating and expanding our printing capabilities, we have reduced our dependence on third-party vendors, thereby achieving cost savings and operational efficiencies. Due to the seasonal nature of sales of our K-12 business we ensure that our printing capabilities are operating at high capacity during peak demand periods. By controlling our printing capabilities and keeping the majority of our printing in-house we are able to meet the demand of our peak season by reducing dependence on printers that may charge higher rates in light of the demand.

Our paper and other raw material purchases are integrated (save for purchases made by Chhaya), which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

Our print facilities and distribution networks are supported by our logistics network, which as on December 31, 2016, comprised 42 warehouses located in 19 states to allow coverage across India. Additionally, Chhaya has two warehouses located in West Bengal and one located in Tripura. Our supply chain (save for NSHPL) is supported by standard Enterprise Resource Planning ("**ERP**") software built on the latest SAP platform allowing us to manage our sales, procurement, printing, inventory and distribution on a real-time basis.

Pan-India sales and distribution network driving deep market reach

Our brands are national brands with a pan India distribution and sales network, which, as of December 31, 2016, consisted of 4,932 distributors and dealers (not including Chhaya). We have an in-house sales team of 838 professionals working from 52 branches and marketing offices from which we reach out to K-12 and higher education institutions.

Our sales and distribution network have provided us with a deep market reach. We sold our content in 29 states and 7 union territories through our distribution channels. Our acquisition of NSHPL enhanced our distribution network in southern India, and our acquisition of VPHPL added to our distribution network in north India. In addition, the Chhaya Acquisition expanded our presence in Eastern India to add 771 distributors and dealers as of December 31, 2016. We believe that our market reach along with our customer touch points give us a competitive advantage to grow our existing brands and build new brands.

We maintain separate sales teams focused on each brand. These brand-focused sales teams serve two distinct purposes: (a) working to achieve healthy growth for each brand and better overall sales and (b) catering to the end consumer preference of selecting from a wider product catalogue of authors and titles. An additional long term benefit from separate brand-focused sales teams is that each team is able to develop deep product expertise, which allows for better brand positioning and increased brand recall.

We are dedicated to the development of the expertise and know-how of our sales team and continue to invest in them and offer training modules to ensure they have the training and skills necessary to succeed in this market.

Focused digital and technology platform

Our digital offerings are focused on supplementing our existing strengths in the K-12 and higher education businesses. Our approach to provide hybrid solutions along with our print content has helped us create an expansive library of digital content, of which we offered an aggregate of 7,722 hours of e-content as of March 31, 2016. We are focused on using technology to drive innovation and new medium of distributing education content. In Fiscal 2016, our hybrid offering contributed 38.82% of our consolidated operating revenue from the K-12 segment and purely digital offerings contributed 5.55% of our consolidated operating revenue from the K-12 segment

We have a comprehensive suite of digital offerings for K-12 schools and students. Our multimedia solution *Destination Success* can be customized to provide software solutions for schools and bundle it with hardware offerings if required. Our offerings like *Intellitab* and *Mystudygear* provide a platform for uniform learning in the classroom and during after class hours, while *Ignitor* is focused on providing learning management systems to institutions to enhance teacher student productivity.

In the higher education business, our investee companies have an early mover advantage to capture the growth in the online test prep markets as more exams move online.

As of March 31, 2016, our cumulative investment (including loans and advances) in digital learning solutions (including services) from both in-house and minority investments was ₹919.84 million, and we plan to continue to invest in early stage education companies to grow our digital platform.

Experienced management and leadership team

Our Company is a result of years of dedication in Indian educational industry. Our Company was founded by the late Mr. Shyam Lal Gupta in 1970. Mr. Shyam Lal Gupta was a driving force behind the establishment of federations and associations for the Indian educational industry.

Our Promoters are entrepreneurs, with significant industry experience, who have led our organic and inorganic growth. Our shareholders include IFC and Everstone.

Our management teams consist of professionals with many years of experience in a range of industries that include education, publishing, technology, media, finance and banking holding various leadership positions. Our second level of management comprises professionals with extensive industry knowledge and prior experience at other educational companies. For further details, see the section entitled "***Our Management***" on page 179.

As of December 31, 2016, our editorial team consisted of 225 employees, some of whom have over 20 years of experience in the publishing industry. Additionally, as of December 31, 2016, Chhaya had an editorial team of 79 employees.

We believe that the experienced leadership of our management and professional team has been a key driver of our growth and operating performance, as evidenced by the number of initiatives we have undertaken and successfully implemented.

Our Strategy

Our business strategy is set forth below. Our strategic objectives should be read in conjunction with, and with careful consideration of, the risks to our business set forth in the section entitled "***Risk Factors***" beginning on page 16.

Expand our leadership in the K-12 market

According to Nielsen, the Indian K-12 education market is one of the largest globally, with more than 259 million students. With the growing middle class and emphasis on education, we expect that the number of schools and students in India will continue to grow, as reported by Nielsen, which found that CBSE and ICSE schools are currently experiencing a growth rate of 21.7% CAGR and 20.5% CAGR, respectively.

As on March 31, 2016, our consolidated operating revenue represent ₹3,898.21 million of the ₹215,600 million K-12 content market. As highlighted by these figures, there appears to be a significant opportunity to further increase our market share in both volume and percentage. Accordingly, we look to expand our leadership in the K-12 market through the following strategies.

- *Increase our share of the content spend by CBSE/ICSE schools*

In Fiscal 2011, our three most important subjects were English grammar, maths and science. Recognizing the potential of expansion in the K-12 market, we acquired a range of brands to fill portfolio gaps with respect to individual subject strengths. By acquiring the *Madhubun* and *Vikas* brands in Fiscal 2013, we bolstered knowledge products in our K-12 business in Hindi language titles. In Fiscal 2015, we acquired the *Saraswati* brand for its K-12 content strength in French, languages and arts and crafts titles. In addition, we are open to further brand acquisitions when we find suitable strategic targets that will help us provide complementary content targeted at CBSE/ICSE affiliated schools. As a result of such acquisitions, we have an expansive product range and strong brands across multiple subject offerings, allowing us to cross-sell our content across schools and the educational life cycle.

In order to strengthen our content portfolio through organic growth, we continue to be focused on developing

subject best sellers and introduce new titles to fill portfolio gaps. For example, we have created new content in English language training, and humanities and social sciences, which include atlases, general knowledge books amongst others. In addition, we continue to innovate our product offering with unique solutions. For example, we have recently introduced a monthly textbook that covers the entire lesson plan for each month for all subjects. We are implementing this strategy by augmenting our editorial and sales teams and by continuing to look at opportunities to add quality talent in these areas.

- *Increase our presence in state board markets*

According to Nielsen, the state board content market size is ₹183,200 million and is the largest part of the Indian K-12 market. The state board content market is fragmented due to varying educational focus, syllabi and regulations in different states. This has resulted in the emergence of regional educational providers each with a strong focus on state boards in a particular geography. To increase our market share in the state board segment, our strategy is to acquire leading regional content houses in attractive markets. These regional acquisitions would enable us increase our market share, acquire distribution networks catering to state board affiliated schools, reach out to a larger number of schools and students, and also allows us to leverage our content capability to enhance the product offerings. The Chhaya Acquisition is our first transaction to achieve these desired objectives. This acquisition has helped us gain market share in Eastern Indian and allows us create new customised products that can be distributed through Chhaya's distribution network. We will continue to evaluate market leading providers in other regional markets that we consider attractive for investment or acquisition opportunities.

Expand our presence in the test preparation market of our higher education business

According to Nielsen, India has one of the largest higher education systems in the world. We intend to further our presence in the higher education business, particularly the test preparation market. We believe that this test preparation market will continue to expand as more government jobs become available that require examinations at the national and state levels.

We currently have a strong offering of subject based test preparation content that we intend to augment by providing our materials in regional languages. We also plan to create content for specific examinations for applicants for government (civil service) and public sector jobs.

Job applicants and students are increasingly showing a preference for taking online tests as a form of test preparation, and, therefore, we are looking to capture the test preparation market by offering online content and online assessment options. In addition, many examinations are now moving to online format. We intend to build our online solutions by investing in education technology companies to leverage their innovative technologies and pair them with our content and industry experience. As part of our strategy, we have invested in two companies which own the online test preparation brands, *Online Tyari* and *Testbook*.

Focus on being comprehensive education content provider for our customers through all media including digital

Our focus is to be a comprehensive education content provider for our customers through all media (including digital) as they evolve. Our strategy is to deliver our end-to-end content solutions through existing and innovative digital technology so that our customers consider us as the single source for education content. To achieve this strategy, we provide our customers with the necessary learning tools and training to effectively utilize the content solutions we develop. Through digital and interactive learning in the classroom and student/teacher devices (like tablets and smartphone) we engage directly with the end-user (teachers and students) throughout the year. We also connect directly with teachers and students through our training activities which give us valuable insights to enhance and further develop our content. This helps us, accordingly, to achieve our primary goal which is to strengthen our relationship with the schools for the complete academic year and to engage with our end-users and customers directly.

We believe that our distribution network and strong relationship with schools provides us with a competitive advantage because we have a deep market reach to schools (particularly in CBSE/ICSE affiliated schools) to offer our education content digital solutions.

To achieve our strategy, we have invested for growth both through organic build out and investments in early stage education companies and education related technology so that we can leverage both our strong content offering and sales and distribution network as these new technology driven offerings capture market share.

Enhance our existing engagement for K-12 business by providing additional services to students, educators and institutions

We are looking to deepen our engagement with students, educators and institutions by providing differentiated services like curriculum management. Currently, we have developed a comprehensive curriculum solution, *Mylestone* that includes books, e-content, teacher training content and assessment tools for the K-8 business segment. These additional services help us cement our positioning as a knowledge partner for education institutions and focus on improving education outcomes. We believe that these initiatives would help enhance our brand recall among the education community.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated financial statements for the financial years ended March 31, 2012, 2013, 2014, 2015 and 2016 and for the nine month period ended December 31, 2016. These financial statements have been prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations and are presented in the section titled "***Financial Information***" on page 207. The summary financial information presented below should be read in conjunction with our restated financial statements, the notes thereto and the section titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 418.

Summary Restated Unconsolidated Financial Statements

Restated unconsolidated balance sheet

(Amount in ₹ millions)

	Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
	Equity and Liabilities						
I.	**Shareholders' funds**						
	Share capital	149.22	2.02	2.17	2.17	2.08	1.45
	Reserves and surplus	4,387.58	4,837.98	2,976.64	2,901.74	2,447.95	781.16
		4,536.80	**4,840.00**	**2,978.81**	**2,903.91**	**2,450.03**	**782.61**
II.	**Share application money pending allotment**	-	-	-	-	-	12.51
III.	**Non-current liabilities**						
	Long term borrowings	252.68	308.37	660.38	24.59	375.55	47.14
	Deferred tax liabilities (net)	-	-	-	0.53	-	-
	Trade payables	4.33	2.56	0.20	-	-	-
	Long term provisions	13.03	7.68	8.87	5.11	3.68	2.54
		270.04	**318.61**	**669.45**	**30.23**	**379.23**	**49.68**
IV.	**Current liabilities**						
	Short term borrowings	788.79	496.81	352.78	334.57	349.80	417.50
	Trade payables						
	- Total outstanding dues of micro enterprises and small enterprises	0.89	1.18	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	672.50	1,072.19	1,104.09	894.26	711.69	733.45
	Other current liabilities	1,162.92	76.91	210.85	79.52	84.44	72.26
	Short term provisions	-	49.19	0.00	0.33	12.86	8.87
		2,625.10	**1,696.28**	**1,667.72**	**1,308.68**	**1,158.79**	**1,232.08**
	Total (I+II+III+IV)	**7,431.94**	**6,854.89**	**5,315.98**	**4,242.82**	**3,988.05**	**2,076.88**
	Assets						
V.	**Non-current assets**						
	Fixed assets						
	Property, Plant and Equipment	122.51	140.38	190.25	190.19	125.85	106.33
	Intangible assets	97.94	115.91	77.36	43.27	49.81	53.79
	Capital work-in-progress	0.93	0.11	0.02	23.40	-	15.71
	Intangible assets under development	34.55	-	-	-	-	-
	Non-current investments	4,700.46	3,530.41	2,714.72	1,885.78	1,884.25	231.37
	Deferred tax assets (net)	165.86	10.89	3.13	-	12.41	4.85
	Loans and advances	67.99	79.01	62.95	33.12	32.42	43.27

	Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
	Other non current assets	7.23	9.37	14.42	14.37	10.63	-
		5,197.47	**3,886.08**	**3,062.85**	**2,190.13**	**2,115.37**	**455.32**
VI.	**Current assets**						
	Current investments	42.42	162.32	42.36	1.29	3.11	4.47
	Inventories	804.59	596.25	485.13	501.47	450.83	418.23
	Trade receivables	1,002.08	1,913.81	1,482.58	1,370.35	973.51	706.32
	Cash and bank balances	96.25	99.52	57.22	33.99	32.00	28.58
	Loans and advances	281.95	195.34	183.59	144.47	413.23	455.37
	Other current assets	7.18	1.57	2.25	1.12	-	8.59
		2,234.47	**2,968.81**	**2,253.13**	**2,052.69**	**1,872.68**	**1,621.56**
	Total (V+VI)	**7,431.94**	**6,854.89**	**5,315.98**	**4,242.82**	**3,988.05**	**2,076.88**

Restated unconsolidated income statement

(Amount in ₹ millions)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Income**						
	Revenue from operations	911.51	2,795.57	2,348.34	2,293.69	1,914.47	1,701.41
	Other income	10.61	26.96	9.54	6.63	7.25	11.80
	Total revenue	**922.12**	**2,822.53**	**2,357.88**	**2,300.32**	**1,921.72**	**1,713.21**
II.	**Expenses**						
	Cost of raw materials and components consumed	548.37	1,162.24	827.35	903.85	654.69	762.06
	Publication expenses	119.88	326.75	458.55	476.41	381.72	340.45
	Purchase of traded goods	112.90	252.28	153.42	148.18	154.22	134.98
	(Increase)/decrease in inventories of finished goods	(204.30)	(143.94)	(10.00)	(50.60)	9.27	(94.17)
	Selling and distribution expenses	156.33	199.25	160.33	165.28	127.86	114.31
	Employee benefit expenses	333.62	373.16	302.85	236.22	200.78	161.70
	Other expenses	220.39	270.74	186.70	151.02	187.01	83.53
	Total expenses	**1,287.19**	**2,440.48**	**2,079.20**	**2,030.36**	**1,715.55**	**1,502.86**
III.	**Restated earnings before interest, tax, depreciation and amortization (EBITDA) (I-II)**	**(365.07)**	**382.05**	**278.68**	**269.96**	**206.17**	**210.35**
	Depreciation and amortisation expense	56.04	74.04	80.44	53.92	34.37	25.57
	Interest income	(56.86)	(89.78)	(73.90)	(5.31)	(3.12)	(0.77)
	Finance costs	91.11	139.28	156.61	48.32	62.46	58.16
IV.	**Restated profit/(loss) before tax**	**(455.36)**	**258.51**	**115.53**	**173.03**	**112.46**	**127.39**
V.	**Tax expenses**						
	Current tax	-	101.47	42.34	51.48	48.36	46.57
	Deferred tax charge/(credit)	(154.97)	(7.76)	(3.66)	12.93	(7.55)	(7.71)
	Total tax expenses	**(154.97)**	**93.71**	**38.68**	**64.41**	**40.81**	**38.86**
VI.	**Restated profit/(loss) for the period/year (IV-V)**	**(300.39)**	**164.80**	**76.85**	**108.62**	**71.65**	**88.53**

Restated unconsolidated cash flow statement

(Amount in ₹ millions)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Cash flows from/ (used in) operating activities**						
	Profit before tax (as restated)	(455.36)	258.51	115.53	173.03	112.46	127.39
	Adjustments to reconcile profit before tax to net cash flows						
	Depreciation and amortisation expense	56.04	74.04	80.44	53.92	34.37	25.57
	Interest expense	79.25	131.67	150.80	46.69	60.15	54.88
	Amortisation of ancillary borrowing cost	1.18	5.88	4.98	0.75	1.33	2.22
	Employee stock compensation expense	9.33	5.12	-	-	-	-
	Interest income	(56.86)	(89.77)	(73.90)	(5.31)	(3.11)	(0.77)
	(Profit)/loss on sale of fixed assets	0.22	(2.17)	(2.12)	0.01	0.21	1.38
	Profit on sale of investments	(6.20)	(16.42)	-	(0.45)	-	-
	Dividend on current investments	(0.00)	(0.03)	(0.07)	(0.07)	(0.10)	(0.08)
	Share of profit from investment in partnership firm	-	-	-	-	-	(0.13)
	Investments written-off	-	-	-	-	0.09	-
	Bad debts written-off	-	-	1.10	-	-	4.51
	Provision for bad debts	29.20	15.45	7.18	5.99	10.06	3.17
	Provision for diminution in value of investments	-	-	-	0.47	-	1.40
	Write back of provision for diminution in value of investments	(0.11)	-	-	-	-	-
	Unrealized foreign exchange gain	(2.72)	-	-	-	-	-
	Advances written-off	-	0.10	-	2.55	1.93	-
	Operating profit before working capital changes (as restated)	**(346.03)**	**382.38**	**283.94**	**277.58**	**217.39**	**219.54**
	Movement in working capital:						
	(Increase)/ decrease in loans and advances	(85.99)	(21.87)	(57.01)	282.88	28.26	(112.21)
	(Increase)/ decrease in trade receivables	885.23	(446.68)	(120.51)	(402.83)	(277.25)	(115.03)
	(Increase)/ decrease in inventories	(208.34)	(111.12)	16.34	(50.63)	(32.61)	(98.69)
	(Increase)/ decrease in other current assets	-	-	-	-	6.95	18.20
	Increase/ (decrease) in provisions	5.35	(1.19)	3.43	1.58	1.20	(3.09)
	Increase/ (decrease) in trade payables	(398.21)	(28.36)	210.02	182.59	(21.77)	200.64
	Increase/ (decrease) in other current liabilities	46.49	(3.30)	10.70	7.45	11.78	(23.44)
	Cash flows from/ (used in) operating activities	**(101.50)**	**(230.14)**	**346.91**	**298.62**	**(66.05)**	**85.92**
	Direct taxes paid (net of refunds)	(47.17)	(52.28)	(56.99)	(75.57)	(21.64)	(37.42)
	Net cash flows from/ (used in) operating activities	**(148.67)**	**(282.42)**	**289.92**	**223.05**	**(87.69)**	**48.50**
II.	**Cash flows from/ (used in) investing activities**						
	Purchase of fixed assets including intangible assets and capital work in progress	(55.19)	(89.42)	(104.30)	(141.40)	(41.98)	(41.51)
	Purchase of non-current investments	(1,170.05)	(815.69)	(869.94)	(1.59)	(1,652.88)	(111.24)
	Purchase of current investments	-	(1,059.96)	(0.07)	-	-	(1.34)
	Proceeds from sale of current investments	126.21	956.42	-	1.86	1.27	9.07
	Proceeds from sale of fixed assets	3.83	22.73	15.99	0.28	7.59	724.13
	Investment in bank deposits (having original maturity of more than three months)	3.11	(0.22)	-	(0.35)	(4.36)	-
	Redemption/maturity of bank deposits (having original maturity of more than three months)	(0.25)	-	0.01	-	-	6.11
	Interest received	56.43	89.62	73.40	5.17	3.87	0.36
	Dividend received	0.00	0.03	0.07	0.07	0.10	0.08
	Net cash flows from/ (used in) investing activities	**(1,035.91)**	**(896.49)**	**(884.84)**	**(135.96)**	**(1,686.39)**	**585.66**
III.	**Cash flows from/ (used in) financing activities**						
	Proceeds from issuance of equity share capital	-	0.29	-	-	0.63	-
	Securities premium received on issue of shares	-	1,690.97	-	-	1,598.05	-

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
	(Repayment)/proceeds of borrowings	1,275.93	(337.88)	774.99	(26.41)	259.09	(154.89)
	Interest paid	(79.38)	(132.39)	(151.19)	(48.83)	(58.14)	(55.38)
	Dividend paid on equity shares	(10.08)	-	-	(4.07)	(2.50)	(2.50)
	Tax on equity dividend paid	(2.05)	-	-	(0.66)	(0.41)	(0.42)
	Amortisation of ancillary borrowing cost	-	(1.61)	(8.35)	(6.37)	(1.33)	(2.22)
	Increase in reserve in demerger	-	-	-	-	-	(428.84)
	Share application money refunded	-	-	-	-	(12.51)	-
	Net cash flows from/ (used in) financing activities	**1,184.42**	**1,219.38**	**615.45**	**(86.34)**	**1,782.88**	**(644.25)**
IV.	**Net increase/ (decrease) in cash and cash equivalents (I+II+III)**	**(0.16)**	**40.47**	**20.53**	**0.75**	**8.80**	**(10.09)**
V.	**Cash and cash equivalents at the beginning of the year/period**	93.75	53.28	32.75	32.00	23.20	33.29
VI.	**Cash & cash equivalents at the end of the period/year (IV+V)**	**93.59**	**93.75**	**53.28**	**32.75**	**32.00**	**23.20**
	Components of cash and cash equivalents :						
	Cash on hand	1.39	9.64	21.25	11.64	9.79	6.36
	Cheques on hand	0.17	-	-	-	-	-
	Balance with banks:						
	- on current account	87.03	82.22	30.63	20.31	12.21	16.84
	- on escrow account	-	-	-	-	10.00	-
	- on deposit account	5.00	1.89	1.40	0.80	-	-
	Total cash and cash equivalents	**93.59**	**93.75**	**53.28**	**32.75**	**32.00**	**23.20**

Summary Restated Consolidated Financial Statements

Summary Restated Consolidated Balance Sheet

(Amount in ₹ million)

	Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
	Equity and liabilities						
I.	**Shareholders' funds**						
	Share capital	149.22	2.02	2.17	2.17	2.08	1.45
	Reserves and surplus	4,942.29	5,989.50	3,941.38	3,675.06	2,906.47	906.90
		5,091.51	**5,991.52**	**3,943.55**	**3,677.23**	**2,908.55**	**908.35**
II.	**Share application money pending allotment**	-	-	-	-	-	14.72
III.	**Minority interest**	88.30	31.47	215.44	30.39	28.31	-
IV.	**Non-current liabilities**						
	Long term borrowings	594.55	679.22	1,185.27	159.62	465.88	77.85
	Trade payables	12.95	9.39	2.25	-	-	-
	Other non-current liabilities	-	0.66	2.50	2.50	2.50	1.84
	Long term provisions	70.05	50.07	45.82	20.79	16.52	0.78
		677.55	**739.34**	**1,235.84**	**182.91**	**484.90**	**80.47**
V.	**Current liabilities**						
	Short term borrowings	1,831.08	1,257.54	965.06	695.32	638.12	420.99
	Trade payables						
	- Total outstanding dues of micro enterprises and small enterprises	56.13	23.70	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,344.65	1,486.94	1,357.87	991.58	668.76	639.43
	Other current liabilities	1,999.77	232.11	408.88	148.76	137.32	71.33
	Short term provisions	309.67	172.46	133.09	42.99	28.40	33.60
		5,541.30	**3,172.75**	**2,864.90**	**1,878.65**	**1,472.60**	**1,165.35**
	Total (I+II+III+IV+V)	**11,398.66**	**9,935.08**	**8,259.73**	**5,769.18**	**4,894.36**	**2,168.89**
	Assets						
VI.	**Non-current assets**						
	Fixed assets						
	Property, plant and equipment	986.19	1,024.92	1,097.31	599.89	424.51	157.31
	Intangible assets	3,833.75	2,282.35	1,643.19	1,262.78	1,274.72	112.78
	Capital work-in-progress	9.22	32.06	12.39	98.61	17.76	15.58
	Intangible assets under development	100.04	34.89	35.98	13.31	9.15	32.03
	Non-current investments	253.74	253.58	130.34	73.77	67.84	85.61
	Deferred tax assets (net)	563.18	123.52	104.06	53.64	42.09	30.11
	Loans and advances	258.48	178.13	186.90	158.98	122.00	90.25
	Trade receivables	-	28.70	16.61	-	-	-
	Other non-current assets	12.35	33.04	23.39	16.66	12.01	0.06
		6,016.95	**3,991.19**	**3,250.17**	**2,277.64**	**1,970.08**	**523.73**
VII.	**Current assets**						
	Current investments	43.02	163.58	47.07	5.70	8.40	6.98
	Inventories	2,505.89	1,398.25	1,196.95	838.96	599.58	424.26
	Trade receivables	1,956.27	3,950.52	3,417.26	2,309.27	1,737.38	712.48
	Cash and bank balances	244.39	244.25	213.24	176.03	137.16	30.19
	Loans and advances	624.13	185.38	132.46	160.33	440.98	469.61
	Other current assets	8.01	1.91	2.58	1.25	0.78	1.64
		5,381.71	**5,943.89**	**5,009.56**	**3,491.54**	**2,924.28**	**1,645.16**
	Total (VI+VII)	**11,398.66**	**9,935.08**	**8,259.73**	**5,769.18**	**4,894.36**	**2,168.89**

Summary Restated consolidated income statement

(Amount in ₹ million)

	Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Income**						
	Revenue from operations	1,495.05	5,377.54	4,766.57	3,700.10	2,790.08	1,730.29
	Other income	12.96	28.73	18.43	9.44	25.40	16.15
	Total revenue	**1,508.01**	**5,406.27**	**4,785.00**	**3,709.54**	**2,815.48**	**1,746.44**
II.	**Expenses**						
	Cost of raw materials and components consumed	987.03	1,756.58	1,782.39	1,491.96	1,005.35	891.11
	Purchase and implementation cost	36.62	49.03	17.07	3.08	7.16	4.95
	Publication expenses	223.43	503.32	481.76	422.54	299.72	175.83
	(Increase)/ decrease in inventories of finished goods, work in progress and traded goods	(680.72)	(278.99)	(243.45)	(138.39)	77.81	(89.57)
	Selling and distribution expenses	406.42	526.62	456.07	343.71	221.16	180.75
	Employee benefit expenses	835.71	941.83	803.48	526.77	353.24	200.11
	Other expenses	535.20	625.72	447.25	262.07	252.44	112.19
	Total expenses	**2,343.69**	**4,124.11**	**3,744.57**	**2,911.74**	**2,216.88**	**1,475.37**
III.	**Restated earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)**	**(835.68)**	**1,282.16**	**1,040.43**	**797.79**	**598.60**	**271.07**
	Depreciation and amortisation expense	202.59	259.07	225.41	122.97	75.47	38.83
	Interest income	(2.48)	(9.29)	(4.15)	(5.61)	(3.25)	(0.90)
	Finance costs	227.26	305.83	282.60	94.58	87.73	58.67
IV.	**Restated profit/(loss) before tax, minority interest and share of associate companies**	**(1,263.05)**	**726.55**	**536.59**	**585.85**	**438.65**	**174.47**
V.	**Tax expense**						
	Current tax	33.91	244.73	196.99	195.18	151.63	68.05
	MAT credit available	8.52	7.63	3.11	(23.50)	(18.13)	(20.75)
	Deferred tax credit	(437.60)	(19.47)	(4.84)	(11.54)	(14.84)	(19.11)
	Total tax expense	**(395.17)**	**232.89**	**195.26**	**160.14**	**118.66**	**28.19**
VI.	**Restated profit/(loss) after tax and before minority interest and share of associate companies (IV-V)**	**(867.88)**	**493.66**	**341.33**	**425.71**	**319.99**	**146.28**
	Share in loss/(profit) of associate companies	17.00	27.24	13.72	-	-	(0.63)
VII.	**Restated profit/(loss) for the period/year**	**(884.88)**	**466.42**	**327.61**	**425.71**	**319.99**	**146.91**
VIII.	**Restated profit/(loss) attributable to**						
	-Owners of the parent	(897.20)	466.37	268.45	423.42	323.37	146.91
	-Minority interest	12.32	0.05	59.16	2.29	(3.39)	-
	Restated profit/(loss) for the period/year	**(884.88)**	**466.42**	**327.61**	**425.71**	**319.99**	**146.91**

Restated consolidated cash flow statement

(Amount in ₹ million)

	Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Cash flows from/ (used in) operating activities**						
	Profit/(loss) before tax (as restated)	(1,263.05)	726.55	536.59	585.85	438.65	174.47
	Adjustments to reconcile profit/(loss) before tax to net cash flows						
	Depreciation and amortisation expense	202.59	259.07	225.41	122.97	75.47	38.83
	Interest expense	204.81	293.32	273.82	90.95	84.77	55.31
	Amortisation of ancillary borrowing cost	17.76	6.22	4.98	-	-	-
	Impairment loss	4.03	-	-	-	-	-
	Interest income	(2.48)	(9.29)	(4.15)	(5.61)	(3.25)	(0.90)
	Loss/(profit) on sale of fixed assets	5.35	1.60	0.08	(1.17)	(18.60)	1.38
	Loss/(profit) on sale of investments	(14.46)	(17.27)	(0.29)	(0.76)	(0.01)	0.01
	Provision for sales return	-	45.60	16.29	-	-	-
	Dividend on current investments	(0.07)	(0.16)	(0.08)	(0.07)	(0.26)	(0.22)
	Share in profit from partnership firm	-	-	-	-	-	(0.13)
	Investments written-off	-	-	-	-	0.26	-
	Employee stock options expense	9.33	5.12	-	-	-	-
	Bad debts written-off	1.53	5.72	1.11	0.37	7.83	4.52
	Provision for bad debts and advances	68.03	45.88	9.67	19.42	19.00	4.09
	Provision for diminution in value of investments	-	-	-	0.47	0.08	1.40
	Provision for slow and non moving raw materials	-	-	1.90	-	-	-
	Advances written-off	0.20	0.10	0.07	2.55	-	-
	Operating profit before working capital changes (as restated)	**(766.43)**	**1,362.46**	**1,065.40**	**814.97**	**603.94**	**278.76**
	Movements in working capital:						
	(Increase)/ decrease in loans and advances	(107.66)	(56.54)	17.10	302.90	4.64	(415.05)
	(Increase)/ decrease in trade receivables	1,953.38	(596.95)	(1,135.38)	(591.67)	(1,051.73)	(117.83)
	(Increase)/ decrease in inventories	(1,107.66)	(201.31)	(359.88)	(239.38)	(175.33)	(92.17)
	Decrease in other assets	(0.49)	0.01	(0.01)	-	-	1.17
	Increase/ (decrease) in provisions	(21.79)	(101.86)	117.23	4.68	(1.83)	(1.63)
	Increase/ (decrease) in trade payables	(106.29)	159.91	368.54	322.81	29.53	161.20
	Increase/ (decrease) in other liabilities	102.33	(4.98)	44.43	10.68	39.00	(46.22)
	Cash flows from/ (used in) operations	**(54.61)**	**560.74**	**117.43**	**624.99**	**(551.78)**	**(231.77)**
	Direct taxes paid (net of refunds)	(284.72)	(179.86)	(292.67)	(197.67)	(122.37)	(78.35)
	Net cash flows from/ (used in) operating activities	**(339.33)**	**380.88**	**(175.24)**	**427.32**	**(674.15)**	**(310.12)**
II.	**Cash flows from/ (used in) investing activities**						
	Purchase of fixed assets including intangible assets, capital advances, capital creditor and capital work in progress (including assets acquired on acquisition)	(240.76)	(942.05)	(1,046.70)	(406.32)	(1,503.89)	553.07
	Investments in subsidiaries, joint ventures and associate companies	(1,528.88)	(211.17)	112.17	(0.22)	112.76	-
	Purchase of non-current investments	(10.01)	(123.24)	(56.58)	(5.99)	17.77	(5.95)
	Purchase of current investments	(2.25)	(99.24)	(41.08)	-	-	-
	Proceeds from sale of current investments	126.86	-	-	3.05	(1.75)	1.95
	Proceed from sale of subsidiary	46.80	-	-	-	-	-
	Proceed from sale of fixed assets	20.84	20.68	16.58	9.74	31.78	1,051.22
	Investment in bank deposits (having original maturity of more than three months)	(8.97)	(15.47)	(4.61)	(0.64)	(7.11)	-
	Redemption/ maturity of bank deposits (having original maturity of more than three months)	-	-	-	-	-	10.52

	Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
	Interest received	2.05	9.33	3.78	5.15	3.97	(0.03)
	Dividends received	0.07	0.16	0.08	0.07	0.26	0.22
	Share in profit from partnership firm	-	-	-	-	-	0.13
	Net cash flows from/ (used in) investing activities	**(1,594.25)**	**(1,361.00)**	**(1,016.36)**	**(395.16)**	**(1,346.21)**	**1,611.13**
III.	**Cash flows from/ (used in) financing activities**						
	Proceeds from issuance of equity share capital	-	0.29	-	-	0.63	-
	Securities premium received on issue of equity shares	-	1,690.97	-	-	1,598.05	-
	(Repayment)/proceeds from borrowings	2,142.07	(389.42)	1,504.36	103.81	630.69	(547.77)
	Interest paid	(206.92)	(290.93)	(267.49)	(93.07)	(82.62)	(68.31)
	Dividend paid on equity shares	(10.08)	-	-	0.00	-	(2.50)
	Tax on equity dividend paid	(2.05)	-	-	(0.00)	-	(0.42)
	Amortisation of ancillary borrowing cost	(16.33)	(1.61)	(9.73)	(5.62)	-	-
	Increase in reserve in demerger	-	-	-	-	-	(701.40)
	Share application money received	-	-	-	-	(14.72)	(25.42)
	Net cash generated/ (used in) financing activities	**1,906.69**	**1,009.30**	**1,227.14**	**5.12**	**2,132.03**	**(1,345.82)**
IV.	**Net increase/ (decrease) in cash and cash equivalents (I+II+III)**	**(26.89)**	**29.18**	**35.54**	**37.28**	**111.67**	**(44.81)**
V.	**Cash and cash equivalents at the beginning of the period/year**	**238.48**	**209.30**	**173.76**	**136.48**	**24.81**	**69.62**
VI.	**Cash & cash equivalents at the end of the year/period (IV+V)**	**211.59**	**238.48**	**209.30**	**173.76**	**136.48**	**24.81**
	Components of cash and cash equivalents						
	Cash on hand	6.64	13.36	30.36	15.42	13.53	6.42
	Cheques on hand	0.17	-	-	-	-	-
	With banks:						
	- on current account	197.25	223.23	177.54	157.54	112.95	18.39
	- on escrow account	-	-	-	-	10.00	-
	- on deposit account	7.53	1.89	1.40	0.80	-	-
	Total cash and cash equivalents	**211.59**	**238.48**	**209.30**	**173.76**	**136.48**	**24.81**

THE OFFER

Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million.
Of which	
Fresh Issue[(1)]	[●] Equity Shares aggregating up to ₹ 3,250 million.
Offer for Sale [(2)]	Up to 6,023,236 Equity Shares aggregating up to ₹ [●] million.
The Offer consists of:	
QIB Category [(3)(4)]	[●] Equity Shares.
of which	
- Anchor Investor Portion	[●] Equity Shares
- Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares.
of which	
- Available for allocation to Mutual Funds only	[●] Equity Shares.
- Balance for all QIBs including Mutual Funds	[●] Equity Shares.
Non-Institutional Category[(4)]	Not less than [●] Equity Shares available for allocation on proportionate basis.
Retail Category[(4)]	Not less than [●] Equity Shares available for allocation in accordance with the SEBI ICDR Regulations.
Equity Shares outstanding prior to the Offer	29,844,496
Equity Shares outstanding after the Offer	[●]
Use of proceeds from the Offer	See "***Objects of the Offer***" on page 100 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

[(1)] *The Fresh Issue has been authorized by the Board of Directors pursuant to a resolution dated September 19, 2016 and by the shareholders of our Company pursuant to a special resolution dated November 10, 2016 under Section 62(1)(c) of the Companies Act.*

[(2)] *The offer for sale of up to 6,023,236 Equity Shares by the Selling Shareholders of which up to 440,298 Equity Shares are being offered by Mr. Himanshu Gupta, up to 274,591 Equity Shares are being offered by Mr. Dinesh Kumar Jhunjhnuwala, up to 240,018 Equity Shares are being offered by Ms. Neerja Jhunjhnuwala, up to 74,841 Equity Shares are being offered by Ms. Nirmala Gupta, up to 93,682 Equity Shares are being offered by Ms. Savita Gupta, up to 70,270 Equity Shares are being offered by Ms. Ankita Gupta, up to 14,800 Equity Shares are being offered by Mr. Gaurav Kumar Jhunjhnuwala and up to 4,814,736 Equity Shares are being offered by Everstone, pursuant to the Offer for Sale as part of the Offer.*

Mr. Himanshu Gupta has consented to the inclusion of his portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Mr. Dinesh Kumar Jhunjhnuwala has consented to the inclusion of his portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Neerja Jhunjhnuwala has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Nirmala Gupta has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Savita Gupta has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Ankita Gupta has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Mr. Gaurav Kumar Jhunjhnuwala has consented to the inclusion of his portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Further, our Board has approved this Red Herring Prospectus pursuant to its resolutions dated April 13, 2017.

The board of directors of Everstone by way of resolutions dated June 17, 2016 and March 13, 2017 and Everstone by way of a consent letter dated December 12, 2016 has authorised the offer, sale and transfer of the Offered Shares by way of an Offer for Sale pursuant to the Offer.

The Promoter Selling Shareholders and the Other Selling Shareholders, severally and not jointly, confirm that the Equity Shares being offered in the Offer have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI and, to the extent that the Equity Shares being offered by them in the Offer for Sale have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which the Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the SEBI ICDR Regulations.

The Investor Selling Shareholder specifically confirms that the portion of the Offered Shares by it in the Offer for Sale is eligible for being offered in the Offer for Sale, in terms of Regulation 26(6) of the SEBI ICDR Regulations.

[(3)] *Our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid*

*Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Category. 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. For further details, see "**Offer Procedure**" on page 508.*

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category and Retail Category, would be allowed to be met with spill over from any other categories or a combination of categories, at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription in the QIB portion would not be allowed to be met with spill-over from any other category.*

*For details, including in relation to grounds for rejection of Bids, refer to the "**Offer Procedure**" on page 508. For details of the terms of the Offer, see "**Terms of the Offer**" on page 500.*

GENERAL INFORMATION

Our Company was incorporated as 'S. Chand & Co. Private Limited' on September 9, 1970 as a private limited company under the Companies Act, 1956 with the RoC Delhi. Our Company became a deemed public limited company under Section 43A (1) of the Companies Act, 1956 and, the RoC Delhi certified our change of name to 'S. Chand & Co. Limited' on May 6, 1976 upon such conversion. Thereafter, pursuant to the approval of the Central Government dated April 30, 1986 under Section 43A(4) of the Companies Act, 1956, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S. Chand And Company Private Limited' was issued by the RoC on May 21, 1986. Our Company was converted into a public limited company under the Companies Act, 2013 and a certificate of incorporation certifying our change of name to S Chand And Company Limited was issued by the RoC on September 8, 2016. For further details, see "***History and Certain Corporate Matters***" on page 157.

Registered Office of our Company

Ravindra Mansion
Ramnagar
New Delhi 110 055
India
Tel: +91 11 6667 2000
Fax: +91 11 2367 7446
E-mail: investors@schandgroup.com
Website: www.schandgroup.com
Corporate Identity Number: U22219DL1970PLC005400
Registration Number: 005400

Corporate Office of our Company

A-27, 2nd Floor
Mohan Co-operative Industrial Estate
New Delhi-110 044
Tel: +91 11 4973 1800
Fax: +91 11 4973 1801

Address of the RoC

Our Company is registered with the Registrar of Companies, NCT of Delhi and Haryana, situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi 110 019, India.

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Red Herring Prospectus:

Name, Designation and Occupation	DIN	Address
Mr. Desh Raj Dogra *Designation*: Chairman and Independent Director *Occupation*: Professional	00226775	Flat No. 402. Somerset Building, Hiranandani Gardens, Powai, Mumbai, India – 400 076
Mr. Himanshu Gupta *Designation*: Managing Director *Occupation*: Business	00054015	89, Old Ishwar Nagar, Panchwati, Okhla More, Delhi, India – 110 065
Mr. Dinesh Kumar Jhunjhnuwala *Designation*: Executive Director *Occupation*: Business	00282988	B-414 Ground Floor, New Friends Colony, New Delhi, India – 110 025

Name, Designation and Occupation	DIN	Address
Mr. Gaurav Kumar Jhunjhnuwala *Designation*: Non-Executive Director *Occupation*: Business	03518763	B-414 Ground Floor, New Friends Colony, New Delhi, India – 110 025
Ms. Savita Gupta *Designation*: Non-Executive Director *Occupation*: Professional	00053988	89, Old Ishwar Nagar, Panchwati, Okhla More, Delhi, India – 110 065
Mr. Deep Mishra *Designation*: Non-Executive and nominee Director *Occupation*: Professional	02249582	12th Floor, Fortune Heights, 29th Road, Opposite H & M Towers, Bandra (West), Mumbai, Maharashtra, India - 400 050
Ms. Archana Capoor *Designation*: Independent Director *Occupation*: Professional	01204170	B-11, Mayfair Garden, August Kranti Marg, Hauz Khas, Delhi, India – 110 016
Mr. Sanjay Bhandarkar *Designation*: Independent Director *Occupation*: Professional	01260274	32, Moonreach Apartments, Prabha Nagar, P Balu Marg, Prabhadevi, Mumbai, Maharashtra, India - 400 028

For further details and profile of our Directors, see "***Our Management***" on page 179.

Company Secretary and Compliance Officer

Mr. Jagdeep Singh
A-27, 2nd Floor
Mohan Co-operative Industrial Estate
New Delhi-110 044
Tele: +91 11 4973 1800
Fax: +91 11 4973 1801
E-mail: jsingh.del@schandgroup.com

Chief Financial Officer

Mr. Saurabh Mittal
A-27, 2nd Floor
Mohan Co-operative Industrial Estate
New Delhi-110 044
Tel: +91 11 4973 1800
Fax: +91 11 4973 1801
E-mail: smittal@schandgroup.com

Investors can contact the Compliance Officer, the BRLMs and the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, credit of Allotted Equity Shares in the respective beneficiary account, unblocking of funds or non-receipt of refund orders (in case of Anchor Investors).

All grievances relating to the non-ASBA process (in case of Anchor Investors) may be addressed to the Registrar to the Offer quoting the full details such as the name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, amount paid on application, name and address of the BRLM where the Bid cum Application Form was submitted and cheque or draft number and issuing bank thereof.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to the relevant Designated Intermediary, giving full details such as name and address of the First/Sole Bidder, Bid cum Application Form number, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number, Bidders' DP ID, Client ID, PAN, relevant Designated Intermediary where the Bid cum Application Form was submitted. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Selling Shareholders

The Selling Shareholders in the Offer are set forth below:

1. The Investor Selling Shareholder, namely, Everstone, a company incorporated under the laws of the Republic of Mauritius and having its principal office at 3rd Floor, Standard Chartered Tower, 19 Cybercity, Ebene - 72201, Mauritius.
2. The Promoter Selling Shareholders, namely, Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala and Mr. Himanshu Gupta.
3. The Other Selling Shareholders, namely, Ms. Nirmala Gupta, Ms. Savita Gupta, Ms. Ankita Gupta and Mr. Gaurav Kumar Jhunjhnuwala.

Book Running Lead Managers

JM Financial Institutional Securities Limited
7th Floor, Cnergy Building
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6630 3030
Fax: +91 22 6630 3330
E-mail: schand.ipo@jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Ms. Prachee Dhuri
SEBI Registration No.: INM000010361

Axis Capital Limited
Axis House, 1st Floor, C-2
Wadia International Center
P. B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: + 91 22 4325 2183
Fax: +91 22 4325 3000
E-mail: schand.ipo@axiscap.in
Investor grievance e-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Mr. Ankit Bhatia
SEBI Registration No.: INM000012029

Credit Suisse Securities (India) Private Limited
9th Floor, Ceejay House
Plot F, Shivsagar Estate
Dr. Annie Besant Road, Worli
Mumbai 400 018
Maharashtra, India
Tel: +91 22 6777 3777
Fax: +91 22 6777 3820
E-mail: list.projectkiado@credit-suisse.com
Investor grievance e-mail: list.igcellmer-bnkg@credit-suisse.com
Website: www.credit-suisse.com
Contact Person: Mr. Shashank Sinha
SEBI Registration No.: INM000011161

Syndicate Member

JM Financial Services Limited
2, 3 and 4, Kamanwala Chambers, Ground Floor
Sir P M Road, Fort
Mumbai 400 001
Maharashtra, India
Tel: +91 22 6136 3400
Fax: +91 22 2266 5902
E-mail: Surajit.misra@jmfl.com
Website: www.jmfinancialservices.in
Contact Person: Mr. Surajit Misra/ Mr. Deepak Vaidya/ Mr. T. N. Kumar
SEBI Registration No.: INB231054835 and INB011054831

Legal Counsel to our Company as to Indian law

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida - 201 301

Tel: +91 120 417 9999
Fax: +91 120 417 9900

Legal Counsel to the BRLMs as to Indian law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase III
New Delhi 110 020
Tel: +91 11 2692 0500
Fax: +91 11 2692 4900

Legal Counsel to the BRLMs as to international law

Clyde & Co
Hong Kong
58th Floor, Central Plaza,
18 Harbour Road, Wanchai,
Hong Kong
Tel: +852 2878 8600
Fax: +852 2522 5907

Dubai
PO Box 7001
Rolex Tower
Sheikh Zayed Road, Dubai
United Arab Emirates
Tel: +971 4 384 4000
Fax: +971 4 384 4004

Legal Counsel to Everstone

Cyril Amarchand Mangaldas
4th floor, Prius Platinum
D-3, District Centre, Saket
New Delhi 110 017
Tel: +91 11 6622 9000
Fax: +91 11 6622 9009

Legal Counsel to the Promoter Selling Shareholders and the Other Selling Shareholders

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida - 201 301
Tel: +91 120 417 9999
Fax: +91 120 417 9900

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli (West)
Mumbai – 400 083
Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
E-mail: schand.ipo@linkintime.co.in
Investor grievance ID: schand.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Escrow Collection Banks/Refund Bank/Public Offer Bank

HDFC Bank Limited
FIG- OPS Department- Lodha, I Think Techno Campus O-3 Level, next to Kanjurmarg Railway Station, Kanjurmarg (East)
Mumbai – 400 042
Telephone: +91 22 3075 2927/+91 22 3075 2928/+91 22 3075 2914
Fax: +91 2579 9801
E-mail: vincent.dsouza@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Vincent D'Souza/ Mr. Siddharth Jadhav/ Mr. Prasanna Uchil
SEBI Registration No.: INBI00000063

Statutory Auditor to our Company

S.R. Batliboi & Associates LLP
6th Floor, Worldmark-1
IGI Airport Hospitality District, Aerocity
New Delhi–110037, India
Tel: +91 11 6671 8000
Fax: +91 11 6671 9999
E-mail: SRBA@in.ey.com
ICAI Firm's Registration Number: 101049W/E300004

Bankers to our Company

HDFC Bank Ltd.
HDFC Bank
2nd Floor, Vatika Atrium Block A
Sec – 53, Gurgaon – 122 002
Contact person: Pranav Priyadarshi
Tel: +91 124 4664 391
E-mail: pranav.priyadarshni@hdfcbank.com

IndusInd Bank Ltd.
3rd Floor, Tower 10 B
DLF Cyber City, Sector – 25A
Gurgaon – 122 002
Contact person: Chanchal Rani Goyal
Tel: +91 9999 5376 83
E-mail: chanchal.rani@indusind.com

Kotak Mahindra Bank Limited
Kotak Aerocity
1st Floor, Asset Area 9
IBIS Commercial Block
Delhi Aerocity
New Delhi – 110 037
Contact person: Mayank Gupta
Tel: +91 8447 7494 81
Fax: +91 11 6617 6146
E-mail: gupta.mayank@kotak.com

DBS Bank Limited
Capitol Point, Baba Kharak Singh Marg
Connaught Place, New Delhi – 110 001
Contact person: Vishal Tibrewala
Tel: +91 11 6621 1805
Fax: +91 11 3041 1899
E-mail: vishaltibrewala@dbs.com

Standard Chartered Bank
DLF Building
7/A – 3/F SC Tower
Cyber City, Sector – 24/25/25A
Gurgaon, Haryana – 122 002
Contact person: Amol Gupta
Tel: +91 124 4876 217
Fax: +91 124 4876 230
E-mail: amol.gupta@sc.com

Yes Bank Ltd.
D-12, South Extension II
New Delhi – 110 049
Contact person: Manoj Ralhan
Tel: +91 11 4602 9049
E-mail: manoj.ralhan@yesbank.in

Self Certified Syndicate Banks

The list of banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI ICDR Regulations, is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time, or at such other website as may be prescribed by SEBI from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders, please refer to the above mentioned link.

Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form is provided on the website of SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries and updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Registered Brokers

In accordance with SEBI circular number CIR/CFD/14/2012, dated October 9, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with Registered Brokers at Broker Centres, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations.

The list of Registered Brokers is available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. For further details, see "***Offer Procedure***" on page 508.

Designated RTA Locations

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3, respectively, as updated from time to time.

Designated CDP Locations

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Inter-se allocation of Responsibilities of the BRLMs for the Offer

The responsibilities and co-ordination by the BRLMs for various activities in the Offer are as follows:

S.No.	Activity	Responsibilities	Co-ordination
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	JM Financial, Credit Suisse and Axis	JM Financial
2.	Due diligence of Company's operations / management / business / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	JM Financial, Credit Suisse and Axis	JM Financial

S.No.	Activity	Responsibilities	Co-ordination
3.	Drafting and approval of all publicity material, statutory and non-statutory advertisements including media monitoring, corporate advertisement, brochure etc.	JM Financial, Credit Suisse and Axis	Credit Suisse
4.	Appointment of other intermediaries viz., Registrar's, Printers, Advertising Agency and Bankers to the Issue	JM Financial, Credit Suisse and Axis	Axis
5.	International institutional marketing strategy • Preparation of road show presentation and FAQs • Finalize the list and division of investors for one to one meetings, in consultation with the Company, and • Finalizing the International road show schedule and investor meeting schedules	JM Financial, Credit Suisse and Axis	Credit Suisse
6.	Domestic institutions / banks / mutual funds marketing strategy • Finalize the list and division of investors for one to one meetings, institutional allocation in consultation with the Company. • Finalizing the list and division of investors for one to one meetings, and • Finalizing investor meeting schedules	JM Financial, Credit Suisse and Axis	Axis
7.	Non-Institutional and Retail marketing of the Issue, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalize Media and PR strategy • Finalizing centers for holding conferences for press and brokers • Finalizing collection centres; • Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Issue material	JM Financial, Credit Suisse and Axis	JM Financial
8.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading and anchor intimation.	JM Financial, Credit Suisse and Axis	Axis
9.	Coordination with Stock-Exchanges for payment of 1% security deposit through cash and bank guarantee	JM Financial, Credit Suisse and Axis	JM Financial
10.	Finalization of pricing, in consultation with the Company	JM Financial, Credit Suisse and Axis	Credit Suisse
11.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks etc. Including responsibility for underwriting arrangements, as applicable and payment of STT.	JM Financial, Credit Suisse and Axis	Axis

Monitoring Agency

As the size of the Fresh Issue is less than ₹ 5,000 million, the appointment of a monitoring agency is not required.

Experts

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 and as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor

and in respect of their examination report dated March 27, 2017 on our Restated Financial Statements and their report dated November 30, 2016 on the Statement of Tax Benefits included in this Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under U.S. Securities Act. In addition, B. Chhawcharria, Chartered Accountants has provided written consent dated March 29, 2017, to be named as "expert" in this Red Herring Prospectus in respect of its report dated March 29, 2017 and the contents or any extracts thereof being included and/or reproduced in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under U.S. Securities Act.

Our Company has received written consent from Technopak Advisors Private Limited dated December 6, 2016, to include its name as expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report dated December 7, 2016 titled "Technopak Research Report".

Our Company has received written consent from Nielsen (India) Private Limited dated December 12, 2016, to include its name as expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report dated December 2016 titled "The Indian Educational Publishing Industry".

Our Company has received written consent from Deepak Seth Talwar, Chartered Engineer, dated December 6, 2016 to include his name as an expert pursuant to the provisions of the Companies Act, 2013 in this Red Herring Prospectus in relation to the printing and daily production capacity of our printing facilities at Sahibabad and Rudrapur.

Credit Rating

As this is an offer of equity shares, credit rating is not required.

IPO grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Project Appraisal

None of the objects of the Fresh Issue for which the Offer proceeds will be utilised have been appraised by any agency.

Trustees

As this is an offer of equity shares, the appointment of trustees is not required.

Book Building Process

Book building refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised at least five Working Days prior to the Bid/ Offer Opening Date. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, after the Bid/Offer Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) the Selling Shareholders;
(3) the BRLMs;
(4) Syndicate Member;
(5) Registrar to the Offer;
(6) Escrow Collection Banks, Refund Banks and Public Offer Bank;
(7) SCSBs;

(8) Registered Brokers;
(9) Collecting Depository Participant; and
(10) Registrar and Share Transfer Agents

In terms of Rule 19(2)(b)(i) of the SCRR, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be Allotted on a proportionate basis to QIBs. Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis at the Anchor Investor Offer Price, out of which at least one-third shall be reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. For further details, see "***Offer Procedure***" on page 508. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 100 million. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Category.

Such number of Equity Shares representing 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price.

Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription in the Retail Category or the Non-Institutional Category, if any, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription in the QIB portion would not be allowed to be met with spill-over from any other category or combination of categories.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process.

In accordance with the SEBI ICDR Regulations, Bids by QIBs and Non-Institutional Investors are not permitted to be withdrawn or lowered *vis-a-vis* the size of the Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage and Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, allocation to QIBs in the QIB Category will be on a proportionate basis and allocation to the Anchor Investors will be on a discretionary basis. For further details, see "***Offer Structure***" and "***Offer Procedure***" on pages 505 and 508, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by the SEBI for the Offer. Our Company and the Selling Shareholders have appointed the BRLMs to manage the Offer and procure subscriptions to the Offer. Each of the Selling Shareholders, severally and not jointly, confirm that such Selling Shareholder will comply with the SEBI ICDR Regulations and any other ancillary directions issued by the SEBI, as applicable, to the respective portion of their Offered Shares.

The Book Building Process including the ASBA process is subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see "***Offer Procedure***" on page 508;

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that the Bid cum Application Form is duly completed as per the instructions given in this Red Herring Prospectus and in the respective forms;

- Except for bids on behalf of the Central or State Governments and the officials appointed by the courts and by investors residing in the State of Sikkim, for Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form (see "***Offer Procedure***" on page 508). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation ("***Demographic Details***"), given in the Bid cum Application Form, with the details recorded with your Depository Participant;

- Ensure the correctness of your PAN, DP ID and Client ID given in the Bid cum Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder's name, bank account number, etc.;

- Bidders (other than Anchor Investors) may submit their Bid cum Application Forms to the Bidding Centres of the relevant Designated Intermediaries. Ensure that the SCSB where the ASBA Account (as specified in the Bid cum Application Form) is maintained has named at least one branch at the Specified Location for the members of the Syndicate, the Broker Centre, the Designated RTA Location or the Designated CDP Location Respectively, to deposit Bid cum Application Forms. Bids by Anchor Investors may be submitted only to the BRLMs;

- Bidders (other than Anchor Investors) may submit the Bid cum Application Forms in physical mode to the Syndicate at the Specified Locations, to the Registered Brokers at the Broker Centres, to the RTAs at the Designated RTA Locations or to the CDPs at the Designated CDP Locations and either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. Bidders (other than Anchor Investors) should ensure that the ASBA Accounts have adequate credit balance at the time of submission to the Designated Intermediaries to ensure that the Bid cum Application Form is not rejected; and

- Bids by QIBs, including Anchor Investors, will have to be submitted to the BRLMs.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "***Offer Procedure – Part B – Basis of Allocation - Illustration of the Book Building and Price Discovery Process***" on page 539.

Underwriting Agreement

After the determination of the Offer Price and allocation of the Equity Shares, but prior to filing of the Prospectus with the RoC, our Company, the Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

Details of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (In ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]

Details of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (In ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Offer Price and finalization of the 'Basis of Allotment' and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate, or to Bids submitted to the Registered Brokers.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Red Herring Prospectus, before and after the Offer, is set forth below.

(In ₹)

		Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**		
	40,000,000 Equity Shares (of face value ₹ 5 each)	200,000,000	
B)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER**		
	29,844,496 Equity Shares (of face value ₹ 5 each)	149,222,480	
C)	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Up to [●] Equity Shares	[●]	[●]
	Of which:		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,250 million [(1)]	[●]	[●]
	Offer for Sale of up to 6,023,236 Equity Shares[(2)]	30,116,180	[●]
	Of which		
	QIB Category of [●] Equity Shares[(3)]	[●]	[●]
	Of which		
	• Available for allocation to Mutual Funds only	[●]	[●]
	• Balance for all QIBs including Mutual Funds	[●]	[●]
	Non Institutional Category of not less than [●] Equity Shares	[●]	[●]
	Retail Category of not less than [●] Equity Shares	[●]	[●]
E)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	
F)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	3,491,714,243	[●]
	After the Offer	[●]	

(1) The Fresh Issue has been authorised by our Board of Directors pursuant to a resolution dated September 19, 2016 and by the shareholders of our Company pursuant to a special resolution dated November 10, 2016 under Section 62(1)(c) of the Companies Act.

(2) The Investor Selling Shareholder has specifically confirmed that the portion of the Equity Shares held by it which are proposed to be offered by it in the Offer for Sale are eligible for the Offer in accordance with Regulation 26(6) of the SEBI ICDR Regulations. The Promoter Selling Shareholders and the Other Selling Shareholders specifically confirm that the Equity Shares being offered for sale in the Offer for Sale by the Promoter Selling Shareholders and the Other Selling Shareholders have been held by them for at least one year prior to the date of filing of the Draft Red Herring Prospectus with the SEBI and to the extent that the Equity Shares being offered by the Promoter Selling Shareholders and the Other Selling Shareholders in the Offer for Sale have resulted from a bonus issue, the bonus issue has been on Equity Shares held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with the SEBI and accordingly, are eligible for being offered for sale in the Offer for Sale. The Promoter Selling Shareholders, the Other Selling Shareholders and the Investor Selling Shareholder specifically confirm that they are the legal and beneficial owner of the Equity Shares to be sold by them in the Offer for Sale and such Equity Shares are free of any liens, charges, encumbrances or contractual transfer restrictions. The Offer for Sale has been authorised by the Selling Shareholders as follows:(i) up to 274,591 Equity Shares offered by Mr. Dinesh Kumar Jhunjhnuwala as per consent letter dated December 7, 2016;(ii) up to 440,298 Equity Shares offered by Mr. Himanshu Gupta as per consent letter dated December 7, 2016; (iii) up to 240,018 Equity Shares offered by Ms. Neerja Jhunjhnuwala as per consent letter dated December 7, 2016; (iv) up to 74,841 Equity Shares offered by Ms. Nirmala Gupta as per consent letter dated December 7, 2016; (v) up to 93,682 Equity Shares offered by Ms. Savita Gupta as per consent letter dated December 7, 2016; (vi) up to 70,270 Equity Shares offered by Ms. Ankita Gupta as per consent letter dated December 7, 2016; (vii) up to 14,800 Equity Shares offered by Mr. Gaurav Kumar Jhunjhnuwala as per consent letter dated December 7, 2016; and (ix) up to 4,814,736 Equity Shares offered by Everstone pursuant to its board resolutions dated June 17, 2016 and March 13, 2017 and its consent letter dated December 12, 2016.

*(3) Our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. In case of under subscription in the Anchor Investor Portion, the remaining Equity Shares will be added to the QIB category. See "**Offer Procedure**" on page 508.*

Changes in the Authorised Capital of our Company

Since the incorporation of our Company, the authorised capital of our Company has changed as follows:

Date of Change	Particulars
September 24, 2012	Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Capital of the Company is ₹ 5,000,000/- (Rupees Fifty Lakhs only) divided into 500,000 Equity Shares of ₹ 10 (Rupees Ten) Each."*
October 16, 2012	Pursuant to the order of the High Court of Judicature at Madras, pursuant to which Atlantic Hotels Private Limited was amalagamated into our Company, the authorized share capital of our Company was increased as follows: "*The Authorised Capital of the Company is ₹ 22,100,000/- (Rupees Two crores and Twenty One Lakhs) divided into 2,210,000 Equity Shares of ₹ 10 (Rupees Ten) each.*"
April 20, 2016	A. Subdivision of Share Capital Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Share Capital of the Company is ₹ 22,100,000/- (Rupees Two crores and Twenty One Lakhs) divided into 4,420,000 (Forty Four Lakhs Twenty Thousand) equity shares of ₹ 5/- each."* B. Increase in authorised share capital Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Share Capital of the Company is ₹ 200,000,000/- (Rupees Twenty Crores) divided into 40,000,000 (Four Crores) equity shares of ₹ 5/- each."*

Notes to Capital Structure

1. **Share capital history**

(a) History of share capital of our Company

The following table sets forth the history of the equity share capital of our Company:

Date of allotment/ transaction	Number of Equity Shares	Face value (₹)	Issue/ forfeiture price per Equity Share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
September 9, 1970	30	1,000	1,000	Cash	Subscription to Memorandum[(1)]	30	30,000
February 26, 1972	360	1,000	1,000	Cash	Further issue[(2)]	390	390,000
August 7, 1972	400	1,000	1,000	Cash	Further issue[(3)]	790	430,000
June 9, 1973	1,710	1,000	1,000	Cash	Further issue[(4)]	2,500	601,000
On November 18, 1978, 400 shares allotted on August 7, 1972 to Mr. Shyamlal Gupta (75 equity shares), Mr. Rajender K. Gupta (75 equity shares), Ms. Nirmala Gupta (75 equity shares), Mr. Ravindra K. Gupta (75 equity shares), Ms. Savita Gupta (75 equity shares) and Ms. Neerja (25 equity shares) were fully paid up							
On November 18, 1978 additional amount of ₹ 200 each was paid by Mr. Shyamlal Gupta, Mr. Rajender K. Gupta, Ms. Nirmala Gupta, Mr. Ravindra K. Gupta and Ms. Savita Gupta each on the equity shares allotted to them on June 9, 1973							
May 27, 1985	(1,710)	1,000	1,000	N.A.	Forfeiture of equity shares[(5)]	790	790,000
August 1, 1985	10	1,000	1,000	Cash	Preferential allotment[(6)]	800	800,000
March 10, 1989	5	1,000	1,000	Cash	Preferential	805	805,000

Date of allotment/ transaction	Number of Equity Shares	Face value (₹)	Issue/ forfeiture price per Equity Share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
					allotment[7]		
February 10, 2000	195	1,000	1,000	Cash	Preferential allotment[8]	1,000	1,000,000
January 25, 2001	1	1,000	1,000	Cash	Preferential allotment[9]	1,001	1,001,000
On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, the issued paid up equity share capital was split from ₹ 1,001,000 divided into 1,001 equity shares of ₹ 1,000 each to ₹ 1,001,000 divided into 100,100 equity shares of ₹ 10 each[10]							
September 25, 2012	27,270	10	9,119	Other than cash	Further issue in consideration for acquisition of shareholding in certain companies through a swap[11]	127,370	1,273,700
September 27, 2012	4,870	10	30,801	Cash	Further issue[12]	132,240	1,322,400
October 9, 2012	30,536	10	39,297.88	Cash	Further issue[13]	162,776	1,627,760
March 28, 2014	9,577	10	36,545.89	Cash	Conversion of 35 CCDs[14]	172,353	1,723,530
Equity shares issued in the last two years							
November 4, 2015	29,299	10	58,020	Cash	Further issue [15]	201,652	2,016,520
On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently the issued and paid up share capital was split from ₹ 2,016,520 divided into 201,652 equity shares of ₹ 10 each to ₹ 2,016,520 divided into 403,304 equity shares of ₹ 5 each[16]							
April 29, 2016	29,441,192	5	N.A.	Bonus	Bonus issue in the ratio of 73:1[17]	29,844,496	149,222,480
Total	**29,844,496**						**149,222,480**

(1) Subscription by Mr. Shyam Lal Gupta (10 equity shares), Mr. Rajendra Kumar Gupta (10 equity shares) and Mr. Ravindra Kumar Gupta (10 equity shares).

(2) Further issue to Ms. Rajrani (25 equity shares), Ms. Nirmala Gupta (40 equity shares), Ms. Neerja (under guardianship of Mr. Rajender K. Gupta) (40 equity shares), Ms. Savita Gupta (75 equity shares), Mr. Shyamlal Gupta (65 equity shares), Mr. Rajender K. Gupta (65 equity shares) and Mr. Ravindra K. Gupta (50 equity shares).

(3) Further issue to Mr. Shyamlal Gupta (75 equity shares), Mr. Rajender K. Gupta (75 equity shares), Ms. Nirmala Gupta (75 equity shares), Mr. Ravindra K. Gupta (75 equity shares), Ms. Savita Gupta (75 equity shares) and Ms. Neerja Jhunjhnuwala (25 equity shares) (shares were partly paid-up to the tune of ₹ 100 per equity share which were fully paid-up on November 18, 1978).

(4) Further issue to Mr. Shyamlal Gupta (630 equity shares), Mr. Rajender K. Gupta (410 equity shares), Ms. Nirmala Gupta (155 equity shares), Mr. Ravindra K. Gupta (400 equity shares) and Ms. Savita Gupta (115 equity shares) (shares were partly paid-up to the tune of ₹ 100 per equity share).

(5) Forfeiture of equity shares of Mr. Shyamlal Gupta (630 equity shares), Mr. Rajender K. Gupta (410 equity shares), Mr. Ravindra K. Gupta (400 equity shares), Ms. Nirmala Gupta (155 equity shares) and Ms. Savita Gupta (115 equity shares) (due to non-payment of calls, partly paid-up equity shares of ₹ 300 each were forfeited).

(6) Preferential allotment to Blackie (10 equity shares).

(7) Preferential allotment to Mr. Babu Lal Gupta (1 equity share), Mr. Chander Bhushan Gupta (1 equity share), Mr. Padam Chand Gupta (1 equity share), Behari Lal Gupta (1 equity share) and Mr. Bhagwan Swarup Sharma (1 equity share).

(8) Preferential allotment to Ms. Nirmala Gupta (97 equity shares) and Mr. Himanshu Gupta (98 equity shares).

(9) Preferential allotment to EPHL (1 equity share).

(10) Pursuant to the face value of the equity shares of our Company being split to ₹ 10 each, our shareholding was: (i) Ms. Nirmala Gupta (26,500 equity shares), (ii) Ms. Savita Gupta (20,300 equity shares), (iii) Mr. Dinesh Kumar Jhunjhnuwala (20,000 equity shares), (iv) Mr. Himanshu Gupta (11,800 equity shares), (v) Ms. Neerja Jhunjhnuwala (19,900 equity shares), (vi) Ms. Ankita Gupta (1,500 equity shares) and (vii) Mr. Gaurav Kumar Jhunjhnuwala (100 equity shares).

(11) Further issue to Ms. Nirmala Gupta (12,129 equity shares), Ms. Savita Gupta (3,060 equity shares), Mr. Dinesh Kumar Jhunjhnuwala (3,465 equity shares), Mr. Himanshu Gupta (2,358 equity shares), Ms. Neerja Jhunjhnuwala (4,107 equity shares), Ms. Ankita Gupta (831 equity shares) and joint holding of Ms. Savita Gupta, Mr. Himanshu Gupta and Ms. Ankita Gupta (1,320 equity shares).

(12) Further issue to Everstone Capital Partners II LLC (4,870 equity shares).

(13) Further issue to Everstone Capital Partners II LLC (30,536 equity shares).

(14) Allotment pursuant to conversion of CCDs to Everstone Capital Partners II LLC (9,577 equity shares).

(15) Further issue to Everstone Capital Partners II LLC (10,341 equity shares) and International Finance Corporation (18,958 equity shares).

(16) Pursuant to the face value of the equity shares of our Company being split to ₹ 5 each, the shareholding of the shareholders of our Company was: (i) Ms. Nirmala Gupta (9,732 Equity Shares), (ii) Ms. Savita Gupta (17,734 Equity Shares), (iii) Mr. Dinesh Kumar Jhunjhnuwala (54,930 Equity Shares), (iv) Mr. Himanshu Gupta (83,348 Equity Shares), (v) Ms. Neerja Jhunjhnuwala (48,014 Equity Shares), (vi) Ms. Ankita Gupta (13,302 Equity Shares), (vii) Mr. Gaurav Kumar Jhunjhnuwala (8,200 equity shares), (viii) Everstone Capital Partners II LLC (130,128 Equity Shares) and (ix) International Finance Corporation (37,916 Equity Shares).

(17) Bonus issue in the ratio 73:1 authorised by our shareholders through a resolution dated April 20, 2016 to Ms. Nirmala Gupta (710,436 Equity Shares), Ms. Savita Gupta (1,294,582 Equity Shares), Mr. Dinesh Kumar Jhunjhnuwala (4,009,890 Equity Shares), Mr. Himanshu Gupta (6,084,404 Equity Shares), Ms. Neerja Jhunjhnuwala (3,505,022 Equity Shares), Ms. Ankita Gupta (971,046 Equity Shares), Mr. Gaurav Kumar Jhunjhnuwala (598,600 Equity Shares), Everstone Capital Partners II LLC (9,499,344 Equity Shares) and International Finance Corporation (2,767,868 Equity Shares). Bonus issue was undertaken through capitalisation of the share premium account of our Company.

(b) Equity Shares issued for consideration other than cash

Date of allotment/ transaction	Name of the allottee	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Reasons for allotment	Benefits accrued to our Company
September 25, 2012	Ms. Nirmala Gupta	12,129	10	9,119	Swap of equity shares	Acquired shareholding in Rajendra Ravindra Printers Private Limited, Blackie & Son (Calcutta) Private Limited and EPHL
	Ms. Savita Gupta	3,060				
	Mr. Dinesh Kumar Jhunjhnuwala	3,465				
	Mr. Himanshu Gupta	2,358				
	Ms. Neerja Jhunjhnuwala	4,107				
	Ms. Ankita Gupta	831				
	Joint holding of Ms. Savita Gupta, Mr. Himanshu Gupta and Ms. Ankita Gupta	1,320				
April 29, 2016	Ms. Nirmala Gupta	710,436	5	N.A.	Bonus issue in the ratio 73:1 authorised by our shareholders through a resolution dated April 20, 2016. Bonus issue was undertaken through capitalisation of share premium of our Company.	Capitalised the share premium of our Company
	Ms. Savita Gupta	1,294,582				
	Mr. Dinesh Kumar Jhunjhnuwala	4,009,890				
	Mr. Himanshu Gupta	6,084,404				
	Ms. Neerja Jhunjhnuwala	3,505,022				
	Ms. Ankita Gupta	971,046				
	Mr. Gaurav Kumar Jhunjhnuwala	598,600				
	Everstone Capital Partners II LLC	9,499,344				
	International Finance Corporation	2,767,868				

2. **Details of Equity Shares issued pursuant to the scheme of arrangement**

Until date no equity shares of our Company have been issued or allotted by our Company pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956. For details of the scheme of arrangement, see "***History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation***" on page 161.

3. **History of Build up, Contribution and Lock-in of Promoters' Shareholding**

(a) Build up of Promoters' shareholding in our Company

Details of the build up of the equity shareholding of our Promoters in our Company are as follows:

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Face value (₹)	Issue/ Acquisition /Sale Price per Equity Share (₹)	% of pre-Offer capital	% of post-Offer capital	Nature of consideration	Nature of Transaction
Mr. Dinesh Kumar Jhunjhnuwala	December 11, 2004	10	1,000	N.A.	Negligible	[●]	N.A.	Gift from Mr. Himanshu Gupta
	March 10, 2010	3	1,000	N.A.	Negligible	[●]	N.A.	Gift from Mr. Ravindra Kumar Gupta
	January 13, 2011	187	1,000	N.A.	0.13	[●]	N.A.	Gift from Ms. Nirmala Gupta
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 200 equity shares of ₹ 1,000 each of Mr. Dinesh Kumar Jhunjhnuwala was split to 20,000 equity shares of ₹ 10 each							
	September 25, 2012	3,465	10	9,119	0.02	[●]	Other than cash	Swap of equity shares
	April 5, 2016	4,000	10	N.A.	0.03	[●]	N.A.	Gift from Ms. Nirmala Gupta
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 27,465 equity shares of ₹ 10 each of Mr. Dinesh Kumar Jhunjhnuwala was split to 54,930 equity shares of ₹ 5 each							
	April 29, 2016	4,009,890	5	N.A.	13.44	[●]	Bonus	Bonus issue in the ratio of 73:1
Total		**4,064,820**			**13.62**	**[●]**		
Mr. Himanshu Gupta	February 10, 2000	98	1,000	1,000	0.07	[●]	Cash	Preferential allotment
	December 11, 2004	(10)	1,000	N.A.	Negligible	[●]	N.A.	Gift to Mr. Dinesh Kumar Jhunjhnuwala
	January 5, 2007	1	1,000	1,000	Negligible	[●]	Cash	Transferred from EPHL
	March 10, 2010	29	1,000	N.A.	0.02	[●]	N.A.	Gift from Mr. Ravindra Kumar Gupta
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 118 equity shares of ₹ 1,000 each of Mr. Himanshu Gupta was split to 11,800 equity shares of ₹ 10 each							
	September 25, 2012	2,358	10	9,119	0.02	[●]	Other than cash	Swap of equity shares
	December 15, 2014	22,516	10	N.A.	0.15	[●]	N.A.	Gift from Ms. Nirmala Gupta
	April 9, 2016	5,000	10	N.A.	0.03	[●]	N.A.	Gift from Ms. Savita Gupta
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 41,674 equity shares of ₹ 10 each of Mr. Himanshu Gupta was split to 83,348 equity shares of ₹ 5 each							
	April 29, 2016	6,084,404	5	N.A.	20.39	[●]	Bonus	Bonus issue in the ratio of 73:1
Total		**6,167,752**			**20.67**	**[●]**		

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Face value (₹)	Issue/ Acquisition /Sale Price per Equity Share (₹)	% of pre-Offer capital	% of post-Offer capital	Nature of consideration	Nature of Transaction
Ms. Neerja Jhunjhnuwala	February 26, 1972	40	1,000	1,000	0.03	[●]	Cash	Further issue
	August 7, 1972	25*	1,000	1,000	0.02	[●]	Cash	Further issue
	On November 18, 1978, 25 equity shares allotted to Ms. Neerja Jhunjhnuwala on August 7, 1972 were fully paid up							
	March 10, 2010	21	1,000	N.A.	0.01	[●]	N.A.	Gift from Mr. Ravindra Kumar Gupta
	January 13, 2011	113	1,000	N.A.	0.08	[●]	N.A.	Gift from Ms. Nirmala Gupta
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 199 equity shares of ₹ 1,000 each of Ms. Neerja Jhunjhnuwala was split to 19,900 equity shares of ₹ 10 each							
	September 25, 2012	4,107	10	9,119	0.03	[●]	Other than cash	Swap of equity shares
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 24,007 equity shares of ₹ 10 each of Ms. Neerja Jhunjhnuwala was split to 48,014 equity shares of ₹ 5 each							
	April 29, 2016	3,505,022	5	N.A.	11.74	[●]	Bonus	Bonus issue in the ratio of 73:1
Total		**3,553,036**			**11.91**	**[●]**		

** Shares were partly paid-up to the tune of ₹ 100 per equity share.*

Other than 25 equity shares of the Company of face value ₹ 1,000 each allotted to Ms. Neerja Jhunjhnuwala pursuant to board resolution dated August 7, 1972, which were fully paid on November 18, 1978, all the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

For details relating to the cost of acquisition of Equity Shares by our Promoters, see "***Risk Factors – Prominent Notes***" on page 45.

(b) Shareholding of our Promoters and Promoter Group

Details of the Equity Shares held by our Promoters and members of the Promoter Group are as follows:

S. No.	Name of shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	%	Number of Equity Shares	%
Promoters					
1.	Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	13.62	[●]	[●]
2.	Mr. Himanshu Gupta	6,167,752	20.67	[●]	[●]
3.	Ms. Neerja Jhunjhnuwala	3,553,036	11.91	[●]	[●]
	Total (A)	**13,785,608**	**46.19**	**[●]**	**[●]**
Promoter Group					
4.	Ms. Nirmala Gupta	720,168	2.41	[●]	[●]
5.	Ms. Savita Gupta	1,312,316	4.40	[●]	[●]
6.	Ms. Ankita Gupta	984,348	3.30	[●]	[●]
7.	Mr. Gaurav Kumar Jhunjhnuwala	606,800	2.03	[●]	[●]
	Total (B)	**3,623,632**	**12.14**	[●]	[●]

S. No.	Name of shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	%	Number of Equity Shares	%
	Total (A+B)	**17,409,240**	**58.33**	**[●]**	**[●]**

(c) Build up of Selling Shareholders' shareholding in our Company:

Details of the build up of the equity shareholding of the Selling Shareholders in our Company are as follows:

Name of the Selling Shareholder	Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Cumulative Number of Equity Shares	Total Paid-up Equity Capital (₹)
Everstone Capital Partners II LLC	September 27, 2012	4,870	10	30,801	Cash	Further issue	4,870	48,700
	September 27, 2012	3,247	10	30,801	Cash	Transferred from Ms. Nirmala Gupta	8,117	81,170
	September 27, 2012	6,493	10	30,801	Cash	Transferred from Ms. Savita Gupta	14,610	146,100
	October 9, 2012	30,536	10	39,297.88	Cash	Further issue	45,146	451,460
	March 28, 2014	9,577	10	36,545.89	Cash	Conversion of 35 CCDs	54,723	547,230
	November 4, 2015	10,341	10	58,020	Cash	Further issue	65,064	650,640
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 65,064 equity shares of ₹ 10 each of Everstone was split to 130,128 equity shares of ₹ 5 each							
	April 29, 2016	9,499,344	5	N.A.	Bonus	Bonus issue in the ratio of 73:1	9,629,472	48,147,360
Total		**9,629,472**						
Ms. Nirmala Gupta	February 26, 1972	40	1,000	1,000	Cash	Further issue	40	40,000
	August 7, 1972	75**	1,000	1,000	Cash	Further issue	115	47,500
	June 9, 1973	155**	1,000	1,000	Cash	Further issue	270	63,000
	On November 18, 1978, 75 equity shares allotted to Ms. Nirmala Gupta on August 7, 1972 were fully paid up							
	May 27, 1985	(155)	1,000	1,000	N.A.	Forfeiture of equity shares allotted on June 9, 1973	115	115,000
	May 27, 1996	1	1,000	1,000	Cash	Transferred from Mr. Bhagwan Swarup Sharma	116	116,000
	January 10, 2000	217	1,000	N.A.	N.A.	Transmission from Mr. Rajendra Kumar Gupta	333	333,000
	February 10, 2000	97	1,000	1,000	Cash	Preferential allotment	430	430,000
	December 11, 2004	(10)	1,000	1,000	Cash	Transferred to Ms. Ankita Gupta	420	420,000
	January 5, 2007	7	1,000	1,000	Cash	Transferred from Blackie	427	427,000
	March 10 2010	139	1,000	N.A.	N.A.	Gift from Mr. Ravindra Kumar Gupta	566	566,000
	August 19, 2010	(1)	1,000	1,000	Cash	Transferred to Mr. Gaurav Kumar Jhunjhnuwala	565	565,000

Name of the Selling Shareholder	Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Cumulative Number of Equity Shares	Total Paid-up Equity Capital (₹)
	January 13, 2011	(187)	1,000	N.A.	N.A.	Gift to Mr. Dinesh Kumar Jhunjhnuwala	378	378,000
	January 13, 2011	(113)	1,000	N.A.	N.A.	Gift to Ms. Neerja Jhunjhnuwala	265	265,000
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 265 equity shares of ₹ 1,000 each of Ms. Nirmala Gupta was split to 26,500 equity shares of ₹ 10 each							
	September 25, 2012	12,129	10	9,119	Other than cash	Further issue in consideration for acquisition of shareholding in certain companies through a swap	38,629	386,290
	September 27, 2012	(3,247)	10	30,801	Cash	Transferred to Everstone	35,382	353,820
	December 15, 2014	(22,516)	10	N.A.	N.A.	Gift to Mr. Himanshu Gupta	12,866	128,660
	April 5, 2016	(4,000)	10	N.A.	N.A.	Gift to Mr. Dinesh Kumar Jhunjhnuwala	8,866	88,660
	April 5, 2016	(4,000)	10	N.A.	N.A.	Gift to Mr. Gaurav Kumar Jhunjhnuwala	4,866	48,660
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 4,866 equity shares of ₹ 10 each of Ms. Nirmala Gupta was split to 9,732 equity shares of ₹ 5 each							
	April 29, 2016	710,436	5	N.A.	Bonus	Bonus issue in the ratio of 73:1	720,168	3,600,840
Total		**720,168**						
Ms. Savita Gupta	February 26, 1972	75	1,000	1,000	Cash	Further issue	75	75,000
	August 7, 1972	75**	1,000	1,000	Cash	Further issue	150	82,500
	June 9, 1973	115**	1,000	1,000	Cash	Further issue	265	94,000
	On November 18, 1978, 75 equity shares allotted to Ms. Savita Gupta on August 7, 1972 were fully paid up							
	May 27, 1985	(115)	1,000	1,000	N.A.	Forfeiture of equity shares allotted on June 9, 1973	150	150,000
	May 27, 1996	1	1,000	1,000	Cash	Transferred from Mr. Behari Lal Gupta	151	151,000
	January 5, 2007	2	1,000	1,000	Cash	Transferred from Blackie	153	153,000
	March 10, 2010	50	1,000	N.A.	N.A.	Gift from Mr. Ravindra Kumar Gupta	203	203,000
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 203 equity shares of ₹ 1,000 each of Ms. Savita Gupta was split to 20,300 equity shares of ₹ 10 each							
	September 25, 2012	3,060	10	9,119	Other than cash	Further issue in consideration for acquisition of shareholding in certain companies	23,360	233,600

Name of the Selling Shareholder	Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Cumulative Number of Equity Shares	Total Paid-up Equity Capital (₹)
						through a swap		
	September 25, 2012	1,320*	10	9,119	Other than cash	Further issue in consideration for acquisition of shareholding in certain companies through a swap	24,680	246,800
	September 27, 2012	(6,493)	10	30,801	Cash	Transferred to Everstone	18,187	181,870
	April 9, 2016	(5,000)	10	N.A.	N.A.	Gift to Mr. Himanshu Gupta	13,187	131,870
	April 9, 2016	(3,000)	10	N.A.	N.A.	Gift to Ms. Ankita Gupta	10,187	101,870
	April 11, 2016	(1,320*)	10	N.A.	N.A.	Gift to Ms. Ankita Gupta	8,867	88,670
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 8,867 equity shares of ₹ 10 each of Ms. Savita Gupta was split to 17,734 equity shares of ₹ 5 each							
	April 29, 2016	1,294,582	5	N.A.	Bonus	Bonus issue in the ratio of 73:1	1,312,316	6,561,580
Total		**1,312,316**						
Ms. Ankita Gupta	December 11, 2004	10	1,000	1,000	Cash	Transferred from Ms. Nirmala Gupta	10	10,000
	January 5, 2007	1	1,000	1,000	Cash	Transferred from Blackie	11	11,000
	March 10, 2010	4	1,000	N.A.	N.A.	Gift from Mr. Ravindra Kumar Gupta	15	15,000
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 15 equity shares of ₹ 1,000 each of Ms. Ankita Gupta was split to 1,500 equity shares of ₹ 10 each							
	September 25, 2012	831	10	9,119	Other than cash	Further issue in consideration for acquisition of shareholding in certain companies through a swap	2,331	23,310
	April 9, 2016	3,000	10	N.A.	N.A.	Gift from Ms. Savita Gupta	5,331	53,310
	April 11, 2016	1,320*	10	N.A.	N.A.	Gift from Ms. Savita Gupta	6,651	66,510
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 6,651 equity shares of ₹ 10 each of Ms. Ankita Gupta was split to 13,302 equity shares of ₹ 5 each							
	April 29, 2016	971,046	5	N.A.	Bonus	Bonus issue in the ratio of 73:1	984,348	4,921,740
Total		**984,348**						
Mr. Gaurav Kumar Jhunjhnuwala	August 19, 2010	1	1,000	1,000	Cash	Transferred from Ms. Nirmala Gupta	1	1,000
	On June 30, 2012, the face value of the equity shares of our Company was split into ₹ 10 each and consequently, 1 equity shares of ₹ 1,000 each of Mr. Gaurav Kumar Jhunjhnuwala was split to 100 equity shares of ₹ 10 each							
	April 5, 2016	4,000	10	N.A.	N.A.	Gift from Ms. Nirmala Gupta	4,100	41,000
	On April 20, 2016, the face value of the equity shares of our Company was split into ₹ 5 each and consequently, 4,100 equity shares of ₹ 10 each of Mr. Gaurav Kumar Jhunjhnuwala was split to 8,200 equity							

Name of the Selling Shareholder	Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Cumulative Number of Equity Shares	Total Paid-up Equity Capital (₹)
	shares of ₹ 5 each							
	April 29, 2016	598,600	5	N.A.	Bonus	Bonus issue in the ratio of 73:1	606,800	3,034,000
Total		**606,800**						
For details relating to the Equity Shares held by Mr. Dinesh Kumar Jhunjhnuwala, Mr. Himanshu Gupta and Ms. Neerja Jhunjhnuwala please refer to " ***-Build up of Promoters' shareholding in our Company"*** on page 85.								

** 1,320 equity shares were jointly held by Ms. Savita Gupta, Mr. Himanshu Gupta and Ms. Ankita Gupta.*
*** Shares were partly paid-up to the tune of ₹ 100 per equity share.*

With respect to details on the due diligence of certain form filings with the MCA, see "***Risk Factors- Some of our records relating to forms filed with the Registrar of Companies are not available. We cannot assure you that these form filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.***" on page 34.

For details relating to the cost of acquisition of Equity Shares by the Selling Shareholders, see "***Risk Factors – Prominent Notes***" on page 45.

(d) Details of Promoters' contribution locked-in for three years:

An aggregate of 20% of the fully diluted post-Offer capital (assuming exercise of all vested options under ESOP 2012) of our Company held by our Promoters shall be considered as the minimum promoters' contribution and locked-in for a period of three years from the date of Allotment.

The lock-in of the Promoters' Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

Our Promoters, Mr. Dinesh Kumar Jhunjhnuwala, Mr. Himanshu Gupta and Ms. Neerja Jhunjhnuwala have consented to the inclusion of such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing of the Draft Red Herring Prospectus until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of the Promoters' Contribution are as provided below:

Name of the Promoter	Number of Equity Shares locked-in	Date of allotment /transfer	Face value (₹)	Issue/Acquisition price per Equity Shares (₹)	Nature of transaction	% of the fully diluted pre-Offer capital	% of the post Offer capital
Mr. Dinesh Kumar Jhunjhnuwala	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Mr. Himanshu Gupta	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Ms. Neerja Jhunjhnuwala	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]

** To be incorporated upon finalisation of the Offer Price*

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as promoters, as required under the SEBI ICDR Regulations.

All Equity Shares held by our Promoters are eligible for lock-in under the SEBI ICDR Regulations. Our Company confirms that the Equity Shares which are being locked-in as Promoters Contribution do not, and shall not, consist of:

(i) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets or bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;

(ii) Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer; and

(iii) Equity Shares held by the Promoters that are subject to any pledge.

Further, our Company has not been formed by the conversion of a partnership firm into a company and thus, no equity shares of the Company have been issued to our Promoters upon conversion of a partnership firm. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

Our Promoters have confirmed to our Company and the BRLMs that the Equity Shares held by our Promoters and which will be locked in as Promoters Contribution have been financed from their personal funds and no loans or financial assistance from any banks or financial institutions have been availed by them.

4. **Details of Equity Share Capital locked-in for one year**

Except for (a) the Promoters' Contribution which shall be locked in as above; (b) the Equity Shares which will be transferred as part of the Offer for Sale, and (c) any Equity Shares issued to the employees of our Company under ESOP 2012, the entire pre-Offer capital of our Company shall be locked in for a period of one year from the date of Allotment.

5. **Other requirements in respect of lock-in**

The Equity Shares held by the Promoters and subjected to lock-in requirements, may be pledged with a scheduled commercial bank or public financial institution as collateral if the loan has been granted by such bank or institution subject to the following conditions:

(a) if the Equity Shares are locked-in for three years as part of minimum promoter's contribution, the loan has been granted for the purpose of financing one or more of the objects of the Offer and the pledge of the Equity Shares is one of the terms of the sanction of the loan; or

(b) if the Equity Shares are locked-in as part of the pre-Offer share capital, for one year and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Further, Equity Shares held by the Promoters may be transferred to and among the Promoters and or members of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

The Equity Shares held by persons other than the Promoters prior to the Offer and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations.

The Equity Shares which are subject to lock-in shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories. The details of lock-in shall also be provided to the Stock Exchanges, before the listing of the Equity Shares.

6. **Lock-in of Equity Shares allotted to Anchor Investors**

Further, the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

7. **Our shareholding pattern**

The table below represents the equity shareholding pattern of our Company, before the Offer and as adjusted for the Offer:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying depository receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of shares underlying outstanding convertible securities (including warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of voting rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total share s held (b)	
								Class eg: X	Class eg:y	Total								
(A)	Promoter & Promoter Group	7	17,409,240	Nil	Nil	17,409,240	58.33	17,409,240	Nil	17,409,240	58.33	Nil	58.33	Nil		Nil		17,409,240
(B)	Public	2	12,435,256	Nil	Nil	12,435,256	41.67	12,435,256	Nil	12,435,256	41.67	Nil	41.67	Nil		Nil		12,435,256
(C)	Non Promoter-Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil
(C1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil
(C2)	Shares held by employee trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil		Nil		Nil
	Total	9	29,844,496	Nil	Nil	29,844,496	100.00	29,844,496	Nil	29,844,496	100.00	Nil	100.00	Nil		Nil		29,844,496

8. **Shareholding of our Directors and/or Key Management Personnel**

Except as set forth below, none of our Directors or Key Management Personnel hold any Equity Shares as on the date of this Red Herring Prospectus:

S. No.	Name of shareholder	Number of Equity Shares held	Pre Offer %	Post Offer %
1.	Mr. Himanshu Gupta	6,167,752	20.67	[●]
2.	Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	13.62	[●]
3.	Mr. Gaurav Kumar Jhunjhnuwala	606,800	2.03	[●]
4.	Ms. Savita Gupta	1,312,316	4.40	[●]
Total		**12,151,688**	**40.71**	**[●]**

9. As on the date of this Red Herring Prospectus, our Company has 9 shareholders holding Equity Shares.

10. **Top shareholders**

(a) Our top shareholders and the number of Equity Shares held by them as on the date of this Red Herring Prospectus are as follows:

S. No.	Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
1.	Everstone Capital Partners II LLC	9,629,472	32.27	[●]	[●]
2.	Mr. Himanshu Gupta	6,167,752	20.67	[●]	[●]
3.	Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	13.62	[●]	[●]
4.	Ms. Neerja Jhunjhnuwala	3,553,036	11.91	[●]	[●]
5.	International Finance Corporation	2,805,784	9.40	[●]	[●]
6.	Ms. Savita Gupta	1,312,316	4.40	[●]	[●]
7.	Ms. Ankita Gupta	984,348	3.30	[●]	[●]
8.	Ms. Nirmala Gupta	720,168	2.41	[●]	[●]
9.	Mr. Gaurav Kumar Jhunjhnuwala	606,800	2.03	[●]	[●]
	Total	**29,844,496**	**100.00**	**[●]**	**[●]**

(b) Our top shareholders and the number of Equity Shares held by them 10 days prior to filing of this Red Herring Prospectus were as follows:

S. No.	Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
1.	Everstone Capital Partners II LLC	9,629,472	32.27	[●]	[●]
2.	Mr. Himanshu Gupta	6,167,752	20.67	[●]	[●]
3.	Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	13.62	[●]	[●]
4.	Ms. Neerja Jhunjhnuwala	3,553,036	11.91	[●]	[●]
5.	International Finance Corporation	2,805,784	9.40	[●]	[●]
6.	Ms. Savita Gupta	1,312,316	4.40	[●]	[●]
7.	Ms. Ankita Gupta	984,348	3.30	[●]	[●]
8.	Ms. Nirmala Gupta	720,168	2.41	[●]	[●]
9.	Mr. Gaurav Kumar Jhunjhnuwala	606,800	2.03	[●]	[●]
	Total	**29,844,496**	**100.00**	**[●]**	**[●]**

(c) Our top shareholders and the number of equity shares of the Company held by them two years prior to the date of filing of this Red Herring Prospectus were as follows:

S. No.	Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
1.	Everstone Capital Partners II LLC	54,723	31.75	[●]	[●]
2.	Mr. Himanshu Gupta	36,674	21.28	[●]	[●]

S. No.	Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
3.	Ms. Neerja Jhunjhnuwala	24,007	13.93	[●]	[●]
4.	Mr. Dinesh Kumar Jhunjhnuwala	23,465	13.61	[●]	[●]
5.	Ms. Savita Gupta	16,867	9.79	[●]	[●]
6.	Ms. Nirmala Gupta	12,866	7.46	[●]	[●]
7.	Ms. Ankita Gupta	2,331	1.35	[●]	[●]
8.	Ms. Savita Gupta jointly with Mr. Himanshu Gupta and Ms. Ankita Gupta	1,320	0.77	[●]	[●]
9.	Mr. Gaurav Kumar Jhunjhnuwala	100	0.06	[●]	[●]
	Total	**1,72,353**	**100.00**	**[●]**	**[●]**

** Please note that the face value of the equity shares two years prior to the date of filing of this Red Herring Prospectus was ₹ 10.*

11. **Employee stock option plans**

ESOP 2012

Pursuant to a resolution of the Board dated May 31, 2012, and shareholders' resolution dated June 30, 2012, our Company had instituted the ESOP Scheme 2012, which was implemented with effect from July 9, 2012 and is effective until terminated by the Board or all options available under ESOP 2012 have been granted. The aggregate number of options to be granted under the ESOP 2012 is such that the number of options exercisable into Equity Shares did not exceed 1.22% of the paid-up equity share capital of our Company at any point of time. Each option granted under the ESOP 2012 is convertible into one (1) Equity Share.

ESOP 2012 is in compliance with the SEBI ESOP Regulations.

Details of grants, exercise and lapsing of options as on March 15, 2017 on a cumulative basis are as follows:

Options granted	367,928
Options forfeited/ lapsed/ cancelled	0
Options exercised	0
Total number of Equity Shares arising as a result of exercise of options	0
Options vested (excluding options that have been exercised)	99,530
Total number of options in force	367,928

Other than 367,928 options already granted and which are in force no further options are to be granted under the ESOP 2012.

Details of ESOP 2012 are as follows:

Particulars	Details for the financial year ended March 31,			During the period April 1, 2016 to March 15, 2017*
	2016	2015	2014	
Options granted during the period/year	914	255#	-	156,954
Pricing formula	Fair market value as determined by an independent valuer as on the date of grant.			
Vesting period	Over a period of 1 to 5 years			
Options vested (excluding options that have been exercised)	229	829	559	99,530
Options exercised	0	0	0	0
Total number of Equity Shares arising as a result of exercise of options	0	0	0	0
Options forfeited/ lapsed/ cancelled	952	1,158	35	12,506
Variation of terms of options	None	None	None	None
Money realised by exercise of options (in ₹)	0	0	0	0
Total number of options in force	1,510	1,548	2,451	367,928
Fully diluted EPS pursuant to the issue of Equity Shares upon exercise of options in	444.27	288.47	551.91	N.A.

Particulars	Details for the financial year ended March 31,			During the period April 1, 2016 to March 15, 2017*
	2016	2015	2014	
accordance with relevant accounting standards on unconsolidated basis				
Difference, if any, between employee compensation cost calculated using the intrinsic value of the stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on:				
profits of the Company (₹ in million)	(1.8)	1.6	(2.4)	(4.6)
basic EPS (₹)	(4.87)	9.41	(14.00)	N.A.
diluted EPS (₹)	(4.86)	9.35	(13.80)	N.A.
Weighted average exercise price of options as on the date of grant whose:				
Exercise price equals market price of stock (₹)	N.A.	36,870	N.A.	N.A.
Exercise price exceeds market price of stock (₹)	N.A.	N.A.	N.A.	392
Exercise price is less than market price of stock (₹)	41,077	N.A.	N.A.	304.05
Weighted average fair values of options as on the date of grant whose:				
Exercise price equals market price of stock (₹)	N.A.	9,643	N.A.	N.A.
Exercise price exceeds market price of stock (₹)	N.A.	N.A.	N.A.	36.97
Exercise price is less than market price of stock (₹)	22,449	N.A.	N.A.	118.05
A description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted average information, namely,	Black Scholes Option Pricing model used to compute the fair value			
Risk free interest rate	7.61%	8.48%	N.A.	6.71%
Expected life (years)	2.83	3.72	N.A.	2.53
Expected volatility	0%	0%	N.A.	0%
Expected dividends	0%	0%	N.A.	0%
Price of underlying share in the market at the time of grant of option (₹)	55,785	36,870	N.A.	376
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options granted under ESOP 2012, within three months after the date of listing of the Equity Shares pursuant to the Offer.				N.A.

** The options are adjusted to reflect the split in face value of equity shares and bonus issue of shares of the Company which occurred during the period.*

 # Includes 255 options that were re-issued from 1,158 lapsed options. Total options granted at any point of time did not exceed 2,486 options.

The details of the impact for the previous three years on profits and earnings per share on account of accounting policies, had our Company followed fair value accounting method, specified in the SEBI ESOP Regulations are as follows:

	For the financial year ended March 31,		
	2016	2015	2014
Impact on profits of our Company (₹ in million)	(1.8)	1.6	(2.4)
Impact on basic EPS (₹)	(4.87)	9.41	(14.00)
Impact on diluted EPS (₹)	(4.86)	9.35	(13.80)

None of our Directors have been granted any options. The details of options granted to our senior management personnel and the intention of our senior management personnel to sell Equity Shares amounting to more than 1% of the post-Offer capital of our Company, arising out of or allotted under ESOP 2012 within three months from the date of listing of the Equity Shares through the Offer, are as follows:

Sl. No	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options	Number of Equity Shares proposed to be sold
			Granted *	Exercised	Outstanding		
Senior/Key Management Personnel							
1.	Mr. Jagdeep Singh	Head - Legal & Secretarial	7,400	-	7,400	-	-
2.	Mr. Saurabh Mittal	Chief financial officer	86,802	-	85,618	-	-
3.	Mr. Naveen Rajlani	Business Head – Madhubun	25,604	-	24,050	-	-
4.	Mr. K.M. Thomas	Business Head – S Chand School and Higher Education	11,100	-	11,100	-	-
5.	Mr. Shammi Manik	Business Head – New Saraswati House	11,100	-	11,100	-	-
6.	Mr. Vinay Sharma	Business Head – Digital & Services	26,640	-	26,640		
Total			**168,646**	**-**	**165,908**	**-**	-

** The grants prior to the bonus and split of equity shares have been restated for numbers post such split and bonus.*

The details of employees of our Company and our Subsidiaries who received a grant in any one year of options amounting to 5% or more of the options granted during the year are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options
			Granted*	Exercised	Outstanding	
1.	Mr. Samir Khurana	Head - Strategy & Mergers and Acquisition	111,962	-	111,962	N.A.
2.	Mr. Naveen Rajlani	Business Head – Madhubun	25,604	-	24,050	N.A.
3.	Mr. Ashish Gupta	Head – Business Development & New Initiatives	51,060	-	51,060	N.A.
4.	Mr. Saurabh Mittal	Chief financial officer	86,802	-	85,618	N.A.
5.	Mr. Vinay Sharma	Business Head – Digital & Services	26,640	-	26,640	N.A.
6.	Mr. Sunil Patki	Business Head – Vikas Publishing House Private Limited	11,100	-	-	N.A.
7.	Mr. Jagdeep Singh	Head – Legal & Secretarial	7,400	-	7,400	N.A.
8.	Mr. K.M. Thomas	Business Head – S Chand School and Higher Education	11,100	-	11,100	N.A.
9.	Mr. Shammi Manik	Business Head – New Saraswati House	11,100	-	11,100	N.A.
Total			**342,768**	**-**	**328,930**	**N.A.**

** The grants prior to the bonus and split of equity shares have been restated for numbers post such split and bonus.*

There are no Directors or employees of our Company and our Subsidiaries who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant.

As on the date of this Red Herring Prospectus, no Equity Shares have been issued under ESOP 2012.

12. Except as disclosed in "– ***Notes to Capital Structure – History of share capital of our Company***" above, in the last two years preceding the date of filing of this Red Herring Prospectus, our Company has not issued any equity shares of the Company.

13. Our Company, our Directors and the BRLMs have not entered into any buy-back and/or standby and/or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

14. Over-subscription to the extent of 10% of the net Offer can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot while finalising the Basis of Allotment.

15. As on the date of filing of this Red Herring Prospectus, the BRLMs or their respective associates do not hold any Equity Shares.

16. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Promoters, members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

17. Our Company has not issued any Equity Shares out of revaluation reserves or unrealised profits.

18. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus. The Equity Shares Allotted pursuant to the Offer shall be fully paid-up at the time of Allotment.

19. As on the date of this Red Herring Prospectus, other than options outstanding under ESOP 2012, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares.

20. Other than issue of Equity Shares pursuant to the exercise of options outstanding under ESOP 2012, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

21. As of the date of this Red Herring Prospectus, no Equity Shares have been issued by our Company at a price that may be lower than the Offer Price during the last one year.

22. None of our Promoters, the members of our Promoter Group, our Directors, or their immediate relatives have purchased or sold any securities of our Company, during a period of six months preceding the date of filing the Draft Red Herring Prospectus.

23. During the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, members of our Promoter Group, our Directors and their relatives may have financed the purchase of Equity Shares by any other person.

24. Except to the extent of the Equity Shares offered by the Selling Shareholders for sale in the Offer for Sale, our Promoters, members of our Promoter Group and Group Companies will not participate in the Offer.

25. In terms of Rule 19(2)(b)(i) of the SCRR, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be Allotted on a proportionate basis to QIBs. Provided that our Company and the Selling Shareholders in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis out of which one third shall be reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investors) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all

QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Offer shall be available for allocation, in accordance with the SEBI ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price.

26. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder. For further details see "***Offer Procedure***" on page 508.

27. Our Company presently does not intend or propose to alter the capital structure from the date of filing of this Red Herring Prospectus, for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise except the issue and allotment of Equity Shares under ESOP 2012 upon conversion of options that may vest and be exercised before filing of this Red Herring Prospectus with RoC. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

28. As on the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.

29. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category and Retail Category, would be allowed to be met with spill-over from any other categories or a combination of categories, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, in the QIB Category would not be allowed to be met with spill-over from any other category.

30. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

31. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

32. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of registering this Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

The Offer for Sale

Each of the Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale. All expenses in relation to the Offer will be shared among our Company and the Selling Shareholders as mutually agreed and in accordance with applicable law. Our Company will not receive any proceeds from the Offer for Sale.

Offer Proceeds, Offer Related Expenses and Net Proceeds

The details of the Net Proceeds are as below:

(₹ in million)

Particulars		Estimated Amount[1]
Gross proceeds of the Offer		[●]
(Less)	Proceeds of the Offer for Sale	[●]
	Fresh Issue related expenses	[●]
Net Proceeds		**[●]**

(1) To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

The Net Proceeds from the Fresh Issue will be utilized towards the following objects:

- Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya;
- Repayment/prepayment, in full or in part, of certain loans availed of by our Company and certain of our Subsidiaries, VPHPL and NSHPL; and
- General corporate purposes (collectively, the "**Objects**").

Further, our Company expects that the benefits of listing of Equity Shares will be to enhance our visibility and brand image and provide liquidity to our shareholders.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue.

Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(₹ in million)

S. No.	Particulars	Estimated Amount
1.	Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya	1,504
(a)	Repayment of loans availed by our Company which was utilized towards funding the acquisition of Chhaya	1,000
(b)	Repayment of loans availed by Eurasia Publishing House Private Limited, one of our Subsidiaries, which was utilized towards funding the acquisition of Chhaya	504
2.	Repayment/ prepayment, in full or in part, of certain loans availed of by our Company and certain of our Subsidiaries, VPHPL and NSHPL	1,046
(a)	Repayment/ prepayment, in full or in part, of certain loans availed of by our Company	550
(b)	Repayment/ prepayment, in full or in part, of certain loans availed of by certain of our Subsidiaries, VPHPL and NSHPL	496

S. No.	Particulars	Estimated Amount
3.	General corporate purposes[1]	[●]
	Total	[●]

[1] *To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.*

Proposed Schedule of Implementation, Deployment of Funds and Means of Finance

We propose to deploy the Net Proceeds in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Red Herring Prospectus, our Company has not deployed any funds towards the objects of the Offer.

(₹ in million)

S. No.	Particulars	Total Estimated Cost	Amount proposed to be funded from Net Proceeds	Estimated Deployment
				Financial Year 2018
1.	Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya	1,504	1,504	1,504
(a)	Repayment of loans availed by our Company which was utilized towards funding the acquisition of Chhaya	1,000	1,000	1,000
(b)	Repayment of loans availed by Eurasia Publishing House Private Limited, one of our Subsidiaries, which was utilized towards funding the acquisition of Chhaya	504	504	504
2.	Repayment/prepayment, in full or in part, of certain loans availed of by our Company and certain of our Subsidiaries, VPHPL and NSHPL	1,046	1,046	1,046
(a)	Repayment/ prepayment, in full or in part, of certain loans availed of by our Company	550	550	550
(b)	Repayment/ prepayment, in full or in part, of certain loans availed of by certain of our Subsidiaries, VPHPL and NSHPL	496	496	496
3.	General corporate purposes[1]	[●]	[●]	[●]
Total		[●]	[●]	[●]

[1] *To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.*

The above-stated fund requirements and the proposed deployment of funds for pre-payment and/or repayment of loans and other general corporate purposes from the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. For details, see "***Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control***" on page 35.

Given the nature of our business, we may have to revise our fund deployment and requirements on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions and competitive environment, which may not be within the control of our management. This may entail rescheduling or revising the planned pre-payment and/or repayment of the loans and the other planned expenditures under the general corporate purposes at the discretion of our management.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the aforementioned objects.

The fund requirements set out below are proposed to be entirely funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the Net Proceeds for the objects mentioned below.

Details of the Objects of the Offer

1. Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya

In pursuit of our strategy of inorganic growth through strategic acquisitions, we evaluate opportunities for continued integration so as to benefit from economies of scale, leverage multi-locational operational synergy, and acquire new product portfolios. For information on our past acquisitions and strategies for future growth, please refer to the sections "***History and Certain Corporate Matters***" and "***Our Business***" on pages 157 and 134, respectively.

In line with the strategy mentioned above, our Company has entered into a share purchase agreement dated November 14, 2016, as amended on November 29, 2016 ("**Acquisition SPA**") with EPHL (one of our Subsidiaries), Mr. Sumit Biswas, Ms. Shalini Biswas, Ms. Noyanika Biswas and Chhaya Prakashani Private Limited. Our Company has acquired 74% (43.53% by our Company and 30.47% by our Subsidiary, EPHL) of the equity shareholding of Chhaya Prakashani Private Limited on December 5, 2016 for an aggregate consideration of ₹ 1,700.05 million. Accordingly, Chhaya Prakashani Private Limited has become a Subsidiary of our Company. For details in relation to the terms of the Acquisition SPA, see "***History and Certain Corporate Matters***" on page 161. In this regard, also see "***Financial Statements of Chhaya Prakashani Private Limited***" on page 410. For details in relation to EPHL, see "***Our Subsidiaries***" on page 174.

Of the aggregate acquisition cost amounting to ₹ 1,700.05 million, (i) our Company has availed a loan facility for an amount of ₹ 1,000 million from Axis Finance Limited ("**Axis Finance**"), pursuant to a loan agreement dated November 17, 2016 ("**Acquisition Loan Facility 1**"), and (ii) EPHL has availed a loan facility for an amount of ₹ 520 million from Axis Finance Limited, pursuant to a loan agreement dated November 17, 2016 ("**Acquisition Loan Facility 2**", and together with Acquisition Loan Facility 1, the "**Acquisition Loan Facilities**"). The remaining consideration for the acquisition of Chhaya of ₹ 180.05 million was funded from the internal accruals of our Company.

Our Company intends to utilise (i) ₹ 1,000 million from the Net Proceeds towards repayment/pre-payment of the Acquisition Loan Facility 1, and (ii) ₹ 504 million from the Net Proceeds by way of a loan to EPHL towards repayment/pre-payment of Acquisition Loan Facility 2.

Our Company has entered into a loan agreement dated April 7, 2017 with EPHL granting an optionally convertible loan of ₹ 504 million to EPHL. Further, our Company has passed a board resolution dated March 27, 2017 and sanctioned an optionally convertible loan of up to ₹ 504 million to EPHL and EPHL has passed a board resolution dated March 27, 2017 to authorize receiving such loan from our Company. Pursuant to the loan agreement and the resolutions passed by our Company and EPHL on March 27, 2017, the sanctioned loan has the following terms and conditions: (i) term of the loan shall be three years from the date of disbursement; (ii) the loan will be convertible into equity shares at the option of EPHL after one year and if not converted on or before three years, the loan shall be repaid by EPHL on completion of 3 years from the date of disbursement; (iii) the rate of interest will be 11.25 % per annum and the interest shall be computed annually at the time of conversion and the accrued interest shall also be converted into equity shares; (iv) the conversion shall be done at fair value of shares at the time of conversion; and (v) the interest shall be calculated on interest accumulated at the end of each year for subsequent year until the date of payment. Our Company will remain interested in EPHL and will derive benefits from it, to the extent of its shareholding and any interest payments on such loan, as applicable.

Repayment/pre-payment of Acquisition Loan Facility 1

Our Company intends to utilise ₹ 1,000 million of Net Proceeds towards full repayment/pre-payment of the Acquisition Loan Facility 1 availed by our Company.

The following table provides details of the Acquisition Loan Facility 1 availed by our Company:

(₹ in million)

S.	Lender	Nature/	Repaym	Security	Prepayme	Rate of	Amount (In ₹ million)

No.		Purpose of the loan[1]	ent		nt penalty	interest (per annum)	Sanctioned	Outstanding as on March 15, 2017[1]
1.	Axis Finance Limited	Term loan for acquisition of 43.53% equity stake in Chhaya Prakashani Private Limited	Repayment commencing quarter ending June 2018 and ending quarter ending September 2021	Second ranking *pari passu* charge on present and future current and fixed assets of the Company; pledge of 43.53% equity shares of Chhaya Prakashani Private Limited; pledge of 76.10% of equity shares of NSHPL held by the Company; pledge of 100% equity shares of EPHL; pledge of balance 26 % equity shares of Chhaya Prakashani Private Limited, the publishing license and brand within 30 days of acquisition of shares of Chhaya Prakashani Private Limited; negative lien and non-encumbrance undertaking on the publishing license of Chhaya Prakashani Private Limited and the brand "Chhaya Prakashani"; negative lien and non-encumbrance undertaking on the assets of Chhaya Prakashani Private Limited; and post dated cheques for the interest and principal amount ("**Acquisition Security 1**")	1% of the amount being prepaid; however not payable on occurrence of a mandatory prepayment event	11.25% per annum for 12 months (to be reset annually based on Axis Bank Limited. Base Rate and spread determined at the time of disbursement)	1,000	1,000

[1] *As per the certificate dated March 30, 2017 from J P Chawla & Co. LLP, Chartered Accountants.*

Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding loan amount may vary from time to time.

Repayment/pre-payment of Acquisition Loan Facility 2

Our Company intends to utilise ₹ 504 million of Net Proceeds by way of providing a loan facility to EPHL which would further utilize this towards partial repayment/pre-payment of Acquisition Loan Facility 2. To this effect, EPHL has passed a board resolution dated March 27, 2017 and has granted approval for availing a loan facility of ₹ 504 million from our Company, which would be utilised towards repayment/pre-payment of the Acquisition Loan Facility 2 by EPHL. Our Company will derive benefits to the extent of interest payments on such debt facility provided to EPHL.

The following table provides details of the Acquisition Loan Facility 2 availed by EPHL:

(₹in million)

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment	Security	Prepayment penalty	Rate of interest (per annum)	Amount (In ₹ million)	
							Sanctioned	Outstanding as on March 15, 2017[1]
1.	Axis Finance Limited	Term loan for acquisition of 30.47% equity stake in Chhaya Prakashani Private Limited	Repayment commencing quarter ending June 2018 and ending quarter ending September 2021	Acquisition Security 1; exclusive charge on all present and future current assets and all present fixed assets of EPHL; pledge on 30.47% equity shares of Chhaya Prakashani Private Limited; corporate guarantee by our Company to secure the facility; post dated cheques for the interest and principal amounts of the facility	1% of the amount being prepaid; however not payable on occurrence of a mandatory prepayment event	11.25% per annum for 12 months (to be reset annually based on Axis Bank Limited. Base Rate and spread determined at the time of disbursement)	520	504

[1]*As per the certificate dated March 30, 2017 from J P Chawla & Co. LLP, Chartered Accountants.*

Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding loan amount may vary from time to time.

We believe that repayment/pre-payment of loans availed of by our Company and EPHL will help reduce our outstanding indebtedness, debt servicing costs and leverage ratio and enable utilization of our accruals for further investment in business growth and expansion.

2. Repayment/prepayment, in full or in part, of certain loans availed of by our Company and certain of our Subsidiaries, VPHPL and NSHPL

Our Company and our Subsidiaries have entered into financing arrangements with various banks and financial institutions including term loans for the purpose of working capital requirements and capital expenditures. These arrangements include secured loans from banks and financial institutions. As on March 15, 2017, the aggregate amount of loans outstanding under our various financing arrangements was ₹ 4,230.50 million, comprising term loans of ₹ 2,334.88 million and other borrowings of ₹ 1,895.62 million. For details, see "***Financial Indebtedness***" on page 416.

Our Company proposes to utilise an aggregate amount of ₹ 1,046 million from the Net Proceeds towards repayment or pre-payment, in full or in part, of certain loans availed by our Company and certain of our Subsidiaries, VPHPL and NSHPL. The selection and extent of loans proposed to be repaid from our Company's loans, VPHPL's and NSHPL loans mentioned below will be based on various commercial considerations including, among others, the interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, the existence and quantum of any pre-payment charges or penalties and the applicable law governing such borrowings. Given the nature of these borrowings and the schedule of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the respective repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilise part of the Net Proceeds for pre-payment/repayment of any such refinanced loans or additional loan facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of loans (including refinanced or additional loans availed, if any), in part or full, would not exceed ₹ 1,046 million. The repayment or pre-payment will help reduce our outstanding indebtedness and debt servicing costs on a consolidated basis, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and

expansion. In addition, we believe that the debt to equity ratio of our Company on a consolidated basis will improve significantly enabling us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The following table provides details of loans availed of by our Company, VPHPL and NSHPL, which we propose to repay or prepay, in full or in part, from the Net Proceeds for an aggregate amount of ₹ 1,046 million:

(₹ in million)

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment schedule	Security	Prepayment penalty	Rate of interest	Amount	
							Sanctioned	Outstanding as on March 15, 2017[1]
Loans availed by our Company								
1.	Indostar Capital Finance Private Limited	General corporate purposes	Repayable in 18 (eighteen) installments commencing December 31, 2014 and ending March 31, 2019	First exclusive charge by pledge of 98% equity shares of VPHPL; and a second *pari passu* charge on all current and fixed assets of our Company	Nil in case prepayment happens through exercise of put/ call option and /or from proceeds of equity issuance/convertible instrument / internal accruals, 1% otherwise	Kotak Mahindra Bank Limited's base rate plus 300 bps (presently 12.50% per annum)	700	294
2.	Kotak Mahindra Bank Limited	Revolving cash credit or working capital demand loan	Working capital demand loan is payable within a maximum period of 90 days and cash credit is repayable on demand	First *pari passu* hypothecation charge on all existing and future current assets and moveable fixed assets (other than those specifically charged to other lenders) of our Company; and personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala	Nil	As mutually agreed at the time of disbursement (presently 9.35% per annum)	100	100
3.	Development Credit Bank	Short term loan (non-revolving) for reimbursement and future expense related to the Offer	To be paid (bullet repayment) out of the gross proceeds of the Offer within 15 days of the IPO subscription or end of loan tenor of six months (whichever is earlier). However, if the Offer is not launched	Subservient charge by way of hypothecation of our Company's entire present and future current assets and movable fixed assets	Nil	9.35% per annum, *i.e.*, 0.60% above Development Credit Bank's overnight MCLR (presently at 8.75% per annum) charged at	100	N.A.*

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment schedule	Security	Prepayment penalty	Rate of interest	Amount	
							Sanctioned	Outstanding as on March 15, 2017[1]
			within five months from disbursement, our Company shall fully make bullet repayment at the end of six months.			monthly rests		
4.	DBS Bank Ltd.	Working Capital Loan	Repayable on demand	First *pari passu* charge on all present and future current assets and moveable fixed assets (other than those specifically charged to other lenders) of our Company; and personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala	Any prepayment will be with prior arrangement with DBS Bank Ltd. after due notice and would entail payment of prepayment penalty, as levied by DBS Bank Ltd.	As negotiated, presently 9.15% - 9.25% per annum	150	150
Loans availed by VPHPL								
1.	Indostar Capital Finance Private Limited	General corporate purposes	Repayable in 18 (eighteen) installments commencing December 31, 2014 and ending March 31, 2019	First exclusive charge by pledge of 98% equity shares of VPHPL; and a second charge *pari passu* on all current and fixed assets of our Company.	Nil in case prepayment happens through exercise of put/ call option and /or from proceeds of equity issuance /convertible instrument / internal accruals, 1% otherwise	Kotak Mahindra Bank Limited's base rate plus 300 bps (presently 12.50% per annum)	300	126
2.	IndusInd Bank Limited	Term Loan I of ₹ 116.70 million	Term Loan I: Existing quarterly repayment commencing February, 2015 and ending May, 2019	Exclusive charge over the machinery being purchased by our Company from proceeds of the term loans. Further, personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala to be executed by April 15, 2017, in case other banks in whose favour personal guarantees have been executed by Mr. Himanshu	Nil	Term loan I: One year MCLR plus 1.95% per annum (presently 11.05% per annum)	116.70	108.18

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment schedule	Security	Prepayment penalty	Rate of interest	Amount	
							Sanctioned	Outstanding as on March 15, 2017[1]
				Gupta and Mr. Dinesh Jhunjhnuwala for loans taken by VPHPL, have not been waived of by March 31, 2017. Corporate guarantee of our Company. First *pari passu* charge (negative lien) on immovable assets namely building at 20/4, Sahibabad Industrial Area, Sahibabad, Uttar Pradesh ("**UP**"), three storey commercial building with basement at Plot at E-28, Sector -8, Noida, UP and negative lien on commercial property in basement floor bearing premises 16, 18/3, 4th Cross, Ward 27, Gandhi Nagar, Bangalore.				
		Terms loan II of ₹ 50 million	Term Loan II: Term loan repayable in 18 equal quarterly installments each after moratorium of six months commencing March 2017 and ending June 2021	Exclusive charge over the machinery being purchased by the company from proceeds of the term loans. Further, personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala to be executed by April 15, 2017, in case other banks in whose favour personal guarantees have been executed by Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala for loans taken by VPHPL, have not been waived of by March 31, 2017. Corporate guarantee	Nil	Term loan II: One year MCLR plus 1.85% per annum (presently 10.95% per annum)	50	50

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment schedule	Security	Prepayment penalty	Rate of interest	Amount	
							Sanctioned	Outstanding as on March 15, 2017[1]
				of our Company. First *pari passu* charge (Negative lien) on immovable assets namely building at 20/4, Sahibabad Industrial Area, Sahibabad, U.P., three Storey commercial building with basement at Plot at E-28, Sector -8, Noida, UP and negative lien on commercial property in basement floor bearing premises 16, 18/3, 4th Cross, Ward 27, Gandhi Nagar, Bangalore.				
3.	Standard Chartered Bank	Working Capital Loan	Repayable as determined by the lender	First *pari passu* charge on present and future current assets, and movable fixed assets except for assets specifically charged to other lenders. Corporate guarantee of our Company.	Nil	As negotiated, presently for ₹ 110 million 9.15% per annum and for ₹ 40 million 10.75% per annum	150	142.19
4.	Development Bank of Singapore	Working Capital Loan	Repayable on demand	First *pari passu* charge on current assets, all the movable fixed assets except for assets specifically charged to other lenders. Corporate guarantee of our Company.	The company may, prepay the whole or part of any of the outstanding facility. The company at the time of such prepayment shall also be liable to pay prepayment charges at such rates on the principal amounts of the facility being prepaid as may be prescribed	As negotiated, presently 9.40% per annum	100	60

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment schedule	Security	Prepayment penalty	Rate of interest	Amount	
							Sanctioned	Outstanding as on March 15, 2017[1]
					by the lender from time to time.			
5.	HDFC Bank	Working Capital Loan	Repayable on demand	First *pari passu* charge on entire existing and future current assets and all the movable fixed assets. Corporate guarantee of our Company.	Nil	HDFC Bank Base Rate plus 1.3% plus interest rate tax as and when applicable (presently 10.55% per annum)	270	259.07
6.	HDFC Bank	Term loan. Take-over of term loans amounting to ₹ 120 million and ₹ 50 million from State Bank of India ("**SBI Loans**")	Maximum of 37 months or residual tenor at SBI Loans, *i.e.* January 1, 2020 (whichever is lower).	Exclusive charge on fixed assets purchased out of the term loan. Corporate Guarantee of our Company. Negative lien on the following properties of our Company: (i) commercial property situated at E-28, Sector- 8, Noida; (ii) leasehold industrial plot and building situated at 20/4, Sahibabad site IV, Industrial Area, Ghaziabad; and (iii) commercial property in basement floor premises no. 16, old no. 1324, 18/3, 4th Main, 4th cross, Ward 27, Gandhinagar, Bangalore – 560 009	2% of the outstanding term loan amount (plus applicable taxes from time to time) after two years. Preclosure of the loan is not permitted within two years from the date of disbursement.	Presently 10.50% (3 years MCLR+220 bps)+interest tax as and when applicable)	111.99	N.A.*
7.	Axis Finance Limited	Term loan for general corporate purpose	Repayment commencing quarter ending June 2018 and ending quarter ending September 2021	Security interest by way of pledge on 23.90% equity shares of NSHPL; a corporate guarantee by the company; and post-dated cheques for the interest and principal amount	1% of the amount being prepaid; however not payable on occurrence of a mandatory prepayment event	11.25% per annum (to be reset annually)	20	20
Loans availed by NSHPL								
1.	Axis Finance	Term loan for	Repayment commencing	Security interest by way of charge over	1% of the amount	11.25% per annum	30	30

S. No.	Lender	Nature/ Purpose of the loan[1]	Repayment schedule	Security	Prepayment penalty	Rate of interest	Amount	
							Sanctioned	Outstanding as on March 15, 2017[1]
	Limited	general corporate purpose	quarter ending June 2018 and ending quarter ending September 2021	the publishing license and intellectual property rights as well as the brand of New Saraswati House; a corporate guarantee by the company; and post-dated cheques for the interest and principal amount	being prepaid; however not payable on occurrence of a mandatory prepayment event	(to be reset annually)		

[1]As per the certificate dated March 30, 2017 from J P Chawla & Co. LLP, Chartered Accountants.
** This loan was disbursed after March 15, 2017.*

Our Company shall deploy the Net Proceeds in VPHPL and NSHPL, for the purpose of repayment/prepayment of the aforementioned loans, in the form of debt. To this effect, VPHPL has passed a board resolution dated March 27, 2017 and has granted approval for availing loan facility of ₹ 466 million from our Company, which would be utilised towards repayment/pre-payment of the loan availed by VPHPL from its lenders as mentioned above. NSHPL has also passed a board resolution dated March 27, 2017 and has granted approval for availing a loan facility of ₹ 30 million from our Company, which would be utilised towards repayment/pre-payment of the loan availed by NSHPL from Axis Finance Limited. Our Company will derive benefits to the extent of interest payments on such debt instruments. For details in relation to VPHPL and NSHPL, see "***Our Subsidiaries***" on page 172.

Our Company has entered into a loan agreement dated April 7, 2017 with VPHPL granting an optionally convertible loan of ₹ 466 million to VPHPL. Further, our Company has passed a board resolution dated March 27, 2017 and sanctioned an optionally convertible loan of up to ₹ 466 million to VPHPL and VPHPL has passed a board resolution dated March 27, 2017 to authorize receiving such loan from our Company. Pursuant to the loan agreement and the resolutions passed by our Company and VPHPL on March 27, 2017, the sanctioned loan has the following terms and conditions: (i) term of the loan shall be three years from the date of disbursement; (ii) the loan will be convertible into equity shares at the option of VPHPL after one year and if not converted on or before three years, the loan shall be repaid by VPHPL on completion of 3 years from the date of disbursement; (iii) the rate of interest will be 11.25 % per annum and the interest shall be computed annually at the time of conversion and the accrued interest shall also be converted into equity shares; (iv) the conversion shall be done at fair value of shares at the time of conversion; and (v) the interest shall be calculated on interest accumulated at the end of each year for subsequent year until the date of payment. Our Company will remain interested in VPHPL and will derive benefits from it, to the extent of its shareholding and any interest payments on such loan, as applicable.

Our Company has entered into a loan agreement dated April 7, 2017 with NSHPL granting an optionally convertible loan of ₹ 30 million to NSHPL. Further, our Company has passed a board resolution dated March 27, 2017 and sanctioned an optionally convertible loan of up to ₹ 30 million to NSHPL and NSHPL has passed a board resolution dated March 27, 2017 to authorize receiving such loan from our Company. Pursuant to the loan agreement and the resolutions passed by our Company and NSHPL on March 27, 2017, the sanctioned loan has the following terms and conditions: (i) term of the loan shall be three years from the date of disbursement; (ii) the loan will be convertible into equity shares at the option of NSHPL after one year and if not converted on or before three years, the loan shall be repaid by NSHPL on completion of 3 years from the date of disbursement; (iii) the rate of interest will be 11.25 % per annum and the interest shall be computed annually at the time of conversion and the accrued interest shall also be converted into equity shares; (iv) the conversion shall be done at fair value of shares at the time of conversion; and (v) the interest shall be calculated on interest accumulated at the end of each year for subsequent year until the date of payment. Our Company will remain interested in NSHPL and will derive benefits from it, to the extent of its shareholding and any interest payments on such loan, as applicable.

The scheduled repayment/pre-payment of the loans availed by our Company and VPHPL as set out above shall be based on various factors including (i) any conditions attached to the loans restricting our ability to pre-pay

the loans and time taken to fulfil such requirements; (ii) levy of any pre-payment charges or penalties and the quantum thereof; (iii) provisions of any law, rules, regulations and contracts governing such borrowings; and (iv) other commercial considerations, including, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of prepayment penalty or premium, if any, shall be made by our Company from the internal accruals.

In case we are unable to raise Net Proceeds until the due date for repayment of the loans mentioned above, the funds earmarked out of the Net Proceeds for such repayment/pre-payment may be utilised for repayment or pre-payment of any other loans, including loans availed by our Company or VPHPL or NSHPL after the date of filing of this Red Herring Prospectus. However, the quantum of Net Proceeds that will be utilised for repayment or pre-payment of the loans shall not exceed ₹ 1,046 million.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "***Financial Indebtedness***" on page 416.

3. General corporate purposes

We, in accordance with the policies set up by our Board, will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds from the Offer, including but not restricted towards strategic initiatives and acquisitions, funding initial stages of equity contribution towards our objects, working capital requirements, investments into our Subsidiaries, strengthening of the marketing capabilities, as may be applicable, meeting ongoing general corporate exigencies or any other purposes as approved by our Board of Directors subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards the aforementioned purposes will be determined by our Board based on the amount actually available under the head 'General Corporate Purposes' and the business requirement of our Company, from time to time.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes set out above.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object, *i.e.*, the utilization of Net Proceeds. In case of a shortfall in Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders, subject to compliance with applicable laws. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Appraisal of the Objects

The objects of the Fresh Issue have not been appraised by any bank, financial institution or any other agency and are based on internal management estimates.

The fund deployment indicated above is based on current circumstances of our business and we may have to revise its estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, underwriting and lead management fees, selling commissions, SCSBs'

commissions/fees, printing and distribution expenses, legal fees, Offer related advertisements and publicity expenses, registrar and depository fees and listing fees.

All expenses in relation to the Offer will be shared among our Company and the Selling Shareholders as mutually agreed and in accordance with applicable law.

The estimated Offer expenses are as under:

Activity	Estimated expenses (₹ in million)*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the Book Running Lead Managers (including Underwriting commission and legal counsels)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Brokerage and selling commission payable to members of the Syndicate, RTAs, Registered Brokers, CDPs and SCSBs[(1)(2)]	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers, RTAs or CDPs and submitted with the SCSBs[(3)(4)]	[●]	[●]	[●]
Others (listing fees, SEBI and stock exchange filing fees, book-building fees, printing and stationery charges, fees payable to bankers to the Offer, auditors fees etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

** Will be incorporated in the Prospectus on finalization of the Offer Price.*

[(1)]Selling commission on the portion for Retail Individual Bidders, Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders	*0.30% of the Amount Allotted* (plus applicable service tax)*
Portion for Non-Institutional Bidders	*0.15% of the Amount Allotted* (plus applicable service tax)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Bidding Charges: ₹10 per valid application bid by the Syndicate, RTAs and CDPs.

Important Note:

(i) *The brokerage/selling commission payable to the Syndicate/ sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bidded by the respective Syndicate/ sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ sub-Syndicate Member, is bid for by an SCSB, the brokerage/ selling commission will be payable to the SCSB and not to the Syndicate/ sub-Syndicate Member.*

(ii) *The brokerage/ selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid book of either of the Stock Exchanges.*

(iii) *The Bidding Charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.*

(iv) *Payment of Brokerage / Selling Commission payable to the sub-brokers / agents of the Sub-Syndicate Members needs to be handled directly by the Sub-Syndicate Members, and the necessary records for the same shall be maintained by the respective Sub-Syndicate Member.*

[(2)]Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by them would be as follows:

Portion for Retail Individual Bidders	*0.30% of the Amount Allotted* (plus applicable service tax)*
Portion for Non-Institutional Bidders	*0.15% of the Amount Allotted* (plus applicable service tax)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No additional bidding charges shall be payable by the Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

[(3)]Processing / uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the Registered Brokers and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders	*₹10 per valid application* (plus applicable service tax)*
Portion for Non-Institutional Bidders	*₹10 per valid application* (plus applicable service tax)*

**Based on Valid Applications.*

[(4)]Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Non-Institutional Bidders which are procured by the members of the Syndicate / Sub-Syndicate / Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking would be as follows.

Portion for Retail Individual Bidders	*₹10 per valid application* (plus applicable service tax)*
Portion for Non-Institutional Bidders	*₹10 per valid application* (plus applicable service tax)*

**Based on Valid Applications*

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, in compliance with the investment policies approved by the Board from time to time. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the funds from the Net Proceeds for trading or dealing in the equity or equity linked securities of other listed companies pending utilization of Net Proceeds.

Monitoring of Utilization of Funds

There is no requirement for the appointment of a monitoring agency, as the Fresh Issue size is less than ₹ 5,000 million. Our Board will monitor the utilization of the proceeds of the Offer and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Red Herring Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Offer from the objects of the Offer as stated above; and (ii) details of category wise variations in the utilization of the proceeds from the Offer from the objects of the Offer as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

Bridge Financing Facilities

Except as stated in the object above, *i.e.*, "***Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya***", our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Offer without our Company being authorised to do so by the Shareholders through a special resolution undertaken by a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, in accordance with such terms and conditions, including in respect of pricing of Equity Shares, as prescribed in the Companies Act, 2013 and Chapter VI-A of the SEBI ICDR Regulations.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Directors, members of our Promoter Group, Group Companies, Associate or Key Management Personnel, except as disclosed in this Red Herring Prospectus or in the normal course of business and in compliance with applicable laws. However, certain of our Promoters will receive a portion of the gross proceeds of the Offer in proportion to the Equity Shares offered by them through the Offer for Sale.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 5 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections "***Our Business***", "***Risk Factors***" and "***Financial Statements***" on pages 134, 16 and 207, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

- Comprehensive consumer focused knowledge content player with touch points across consumer lifecycle;
- Strong brand equity with high consumer recall;
- Leading position in the K-12 market;
- Strong integrated in-house printing and logistic capabilities;
- Pan-India sales and distribution network driving deep market reach;
- Focused digital and technology platform; and
- Experienced management and leadership team.

For further details, please refer to the sections "***Our Business***" and "***Risk Factors***" on pages 134 and 16, respectively.

Quantitative factors

Some of the information presented in this section is derived from the Restated Financial Information prepared in accordance with Companies Act and the SEBI ICDR Regulations. Some of the quantitative factors, which form the basis for computing the Offer Price, are as follows:

1. Basic Earnings Per Share (EPS) & Diluted Earnings Per Share (EPS)

a. As per our Restated Consolidated Financial Information

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Financial Year 2014	17.56	16.60	1
Financial Year 2015	10.52	10.52	2
Financial Year 2016	17.10	17.09	3
Nine months ended December 31, 2016 (non annualised)	(30.06)	(30.06)	
Weighted average	14.99	14.82	

b. As per our Restated Unconsolidated Financial Information

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Financial Year 2014	4.51	4.26	1
Financial Year 2015	3.01	3.01	2
Financial Year 2016	6.04	6.04	3
Nine months ended December 31, 2016 (non annualised)	(10.07)	(10.07)	
Weighted average	4.78	4.73	

Notes:

1. *Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.*
2. *Face Value per share is ₹ 5/-*
3. *Basic Earnings per share = Net profit/(loss) after tax, as restated attributable to equity shareholders / Weighted average number of shares outstanding during the period or year.*

4. *Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year.*
5. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.*
6. *The above EPS are after taking into account the impact of the dilutive effect of share split and bonus issuance after March 31, 2016 and outstanding stock options.*

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to [●] per Equity Share of ₹ 5 each

S. No.	Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
1.	Based on basic EPS for the financial year ended March 31, 2016 on an consolidated basis	[●]	[●]
2.	Based on basic EPS for the financial year ended March 31, 2016 on an unconsolidated basis	[●]	[●]
3.	Based on diluted EPS for the financial year ended March 31, 2016 on an consolidated basis	[●]	[●]
4.	Based on diluted EPS for the financial year ended March 31, 2016 on an unconsolidated basis	[●]	[●]

3. Return on Net Worth (RONW)

a. As per the Restated Consolidated Financial Information

Financial Period	Consolidated (%)	Weight
Financial Year 2014	11.86%	1
Financial Year 2015	7.00%	2
Financial Year 2016	7.82%	3
Nine months ended December 31, 2016 (non annualised)	(17.72%)	
Weighted average	8.22%	

b. As per the Restated Unconsolidated Financial Information

Financial Period	Unconsolidated (%)	Weight
Financial Year 2014	3.74%	1
Financial Year 2015	2.58%	2
Financial Year 2016	3.41%	3
Nine months ended December 31, 2016 (non annualised)	(6.62%)	
Weighted average	3.19%	

RoNW (%) = Net profit after tax (after preference dividend and related tax), as restated / Net worth at the end of the year excluding preference share capital and cumulative preference dividend

4. Minimum Return on Net Worth after Offer to maintain Pre-Offer EPS for Financial Year 2016

Particulars	To maintain Pre-Offer Basic EPS		To maintain Pre-Offer Diluted EPS	
	Restated Unconsolidated (%)	Restated Consolidated (%)	Restated Unconsolidated (%)	Restated Consolidated (%)
At the Floor Price	[●]	[●]	[●]	[●]
At the Cap Price	[●]	[●]	[●]	[●]

5. Net Asset Value per Equity Share

Period	Restated Unconsolidated (₹)*	Restated Consolidated (₹)*
Financial Year ended March 31, 2014	113.84	139.91
Financial Year ended March 31, 2015	116.78	150.35
Financial Year ended March 31, 2016	162.16	199.86

Period	Restated Unconsolidated (₹)*	Restated Consolidated (₹)*
Nine months ended December 31, 2016 (non annualised)	152.00	169.70
NAV after the Offer (at Offer Price)**	[●]	[●]
Offer Price**	[●]	

**The above NAV are after taking into account the impact of the dilutive effect of share split and bonus issuance after March 31, 2016.*
***Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

Net Asset Value per Equity Share = Net worth, as restated, excluding preference share capital at the end of the period/year
Number of equity shares outstanding at the end of the period/year

6. Comparison with listed industry peers

Following is the comparison with our peer group that has been determined on the basis of listed public companies comparable in size to our Company or whose business portfolio is comparable with that of our business:

Name of Company	Face Value (₹ Per share)	EPS (₹)[(1)]		NAV (₹ per share)[(2)]	P/E[(3)]	RONW (%)[(4)]
		Basic	Diluted			
S Chand And Company Limited*	10.00	17.10[(5)]	17.09[(5)]	199.86[(5)]	-	7.82%
Peer Group						
Navneet Education Limited*[#]	2.00	4.34	4.34	24.49	37.34	17.73%

** Based on consolidated financial statements as on and for the period ended March 31, 2016. Source: Annual Report*
[#] Navneet Education Limited accounts its business under AS 17 as "publishing", "stationery", and "others". In our opinion we are comparable to the "publishing" business of Navneet Education Limited.

Notes:
1. *Basic Earnings per share = Net profit/(loss) after tax, as restated attributable to equity shareholders / Weighted average number of shares outstanding during the period or year.*
2. *Net Asset Value per Equity Share represents Net worth at the end of the year excluding preference share capital and cumulative preference dividend / Total number of equity shares outstanding at the end of year.*
3. *P/E figures for the peer is computed based on closing market price as on April 12, 2017 of Navneet Education Limited as ₹ 162.05 available at NSE, (available at www.nseindia.com) divided by Basic EPS for FY 16 (on consolidated basis) as ₹ 4.34 as per the Annual Report.*
4. *RoNW (%) = Net profit after tax (after preference dividend and related tax), as restated / Net worth at the end of the year excluding preference share capital and cumulative preference dividend.*
5. *The above EPS (basic and diluted) and NAV are after taking into account the impact of the dilutive effect of share split and bonus issuance after March 31, 2016.*

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs on the basis of assessment of demand from investors for the Equity Shares through the Book Building Process. Our Company, the Selling Shareholders and the BRLMs believe that the Offer Price of ₹ [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with the sections titled "***Risk Factors***", "***Our Business***" and "***Financial Statements***" on pages 16, 134 and 207, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors
S Chand and Company Limited (formerly known as S Chand and Company Private Limited)
7361, Ram Nagar, Qutab Road,
New Delhi - 110055

Dear Sirs,

Statement of Possible Tax Benefits available to S Chand and Company Limited and its shareholders under the Indian tax laws

1. We hereby confirm that the enclosed Annexure, prepared by S Chand and Company Limited ('the Company'), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2016, i.e. applicable for the Financial Year 2016-17 relevant to the assessment year 2017-18, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

   The Central Board for Direct Taxes ('CBDT') has constituted a Committee to suggest framework to compute book profit which constitutes the tax base for Minimum Alternate Tax ('MAT') levy for companies converging to IND-AS. Till date the Committee has made two reports, which are yet to be accepted by the Government. Since the Committee recommendations do not carry any weightage in law as they may or may not be accepted we have not expressed our opinion on the transitional impact of Ind-AS, which maybe applicable to the Company from FY 2017-18 onwards.

2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. We do not express any opinion or provide any assurance as to whether:

   (i) the Company or its shareholders will continue to obtain these benefits in future;
   (ii) the conditions prescribed for availing the benefits have been / would be met with; and
   (iii) the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

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

_____

per Yogesh Midha
Partner
Membership Number: 94941
Place: New Delhi
Date: 30 November 2016

ANNEXURE

Statement of Tax Benefits available to the Company & its Shareholder under the Income Tax Act, 1961 ("ITA") and other Direct Tax Laws presently in force in India:

PART A

SPECIAL TAX BENEFITS

I. Benefits available to the Company

There are no special tax benefits available to the Company.

II. Benefits available to the Shareholders

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

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

Per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: 30 November 2016

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

*The information in this section has been extracted from reports published by Nielsen (the "**Nielsen Research Report**") and Technopak (the "**Technopak Research Report**") commissioned by the Company, as well as publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources.*

Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor any of the Book Running Lead Managers or any of their respective advisors, and should not be relied on as if it had been so verified.

In this section, references to "we", "our" or "the Company" are to S Chand And Company Limited and its Subsidiaries on a consolidated basis.

Overview of the Indian Economy

India is one of the fastest growing economies in the world. Over the past three years, India has experienced an average annual increase in its GDP of approximately 7.0%, a 7.6% real GDP growth rate in 2015 - 2016 and a World Bank real GDP growth forecast of greater than 8% in 2016 - 2017 (*Source: Nielsen Research Report*)**.** Positive macroeconomic indicators, the Indian government adoption of reforms on foreign direct investment in various sectors, the passage of the Goods and Services Tax Bill, the proliferation of public sector investments coupled with a low fiscal deficit, low crude import prices, declining inflationary pressures and gradual improvement in business confidence present a favorable picture for India's GDP growth. According to the Nielsen Research Report, the Indian economy has the potential to become the world's 3rd largest economy by the next decade, and one of the largest economies by the mid-century. According to the IMF, the Indian economy is the "bright spot" in the global landscape. India also was the top country on the World Bank's growth outlook for the first time in 2015 - 2016. (*Source: Nielsen Research Report*)

The long-term growth prospects of the Indian economy are driven by India's young population, rising affluence, increasing GDP per capita, rising disposable income levels, healthy savings and investment rates, and increasing spend in the discretionary income. India offers significant market potential due to its sizeable population, a burgeoning middle class and its young population, the largest in the world, with a median age of 27.6 years (*Source: CIA Fact Book*). India's current consumption expenditure as a percentage share of the total GDP is 54%. Although currently lower than industrialized countries, it is estimated that India's household consumption expenditure will increase from US$1,234 billion in 2016 to US$1,580 billion by 2020 and will surpass the household consumption expenditure of other comparable newly industrialized economies such as Brazil (*Source: Technopak Research Report*). A comparison of India's consumption expenditure with other countries is provided below.

Total Private Final Consumption Expenditure (USD bn)

Country	2008	2009	2010	2011	2012	2013	2014	2015	2016	2020P	Contribution to GDP*
United Kingdom	1,790	1,493	1,552	1,665	1,694	1,737	1,819	1,884	1,832	1,978	66%
Germany**	2,071	1,957	1,915	2,095	1,978	2,087	2,207	2,116	1,965	1,867	57%
Brazil**	974	990	1,278	1,494	1,408	1,406	1,421	1,401	1,368	1,275	60%
India	706	781	957	1,073	1,061	1,072	1,095	1,168	1,234	1,580	54%
China	1,608	1,809	2,079	2,615	3,019	3,447	3,760	4,102	4,553	7,095	40%
United States	10,014	9,847	9,916	10,258	10,374	10,493	10,642	10,965	11,286	12,182	67%

Source : World Bank, Technopak Research & Analysis

***2016**

**Germany & Brazil's currency has depreciated significantly in the past few years

Year mentioned is FY; The projection for 2020 has been arrived at by considering the growth trends for the past eight years.

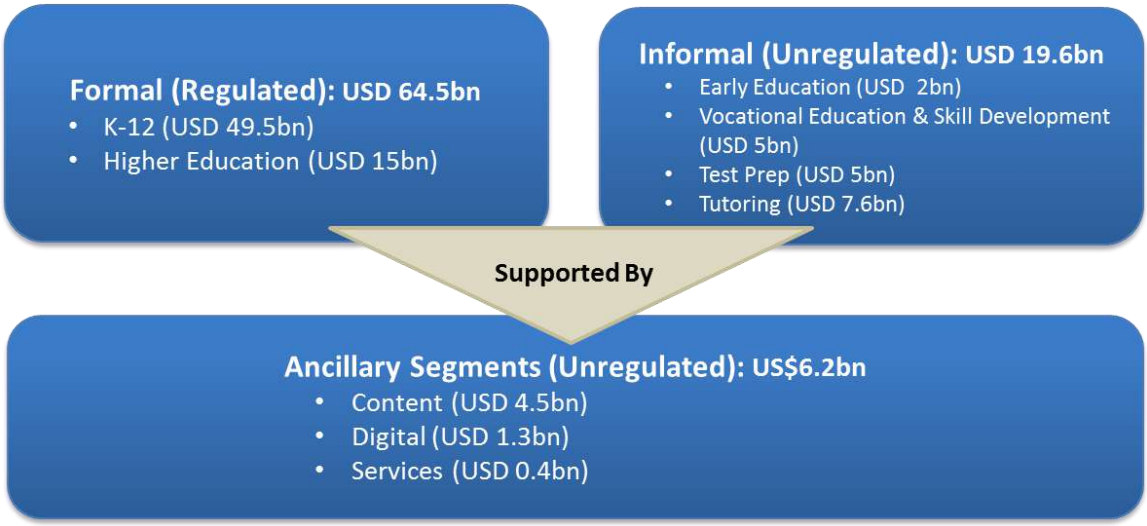
India's increasing GDP growth has aided the rise in income levels and spending power. As India's per capita GDP levels and spending levels have increased, the share of spend in discretionary items has also increased from 53% in 2005 to 59.4% in 2016. Discretionary items include non-basic goods and services, including education, communication, transportation and medical care. The education sector has been a key beneficiary of India's economic growth and favorable demographic profile, illustrated by the fast growth of education amongst other discretionary expenditure items. As shown by the table below, the share of spend on education has increased from 4% in 2005 to 5% in 2015.

Particulars (% of GDP)	2005	2012	2013	2014	2015	2016	2020 (P)
Non-Discretionary							
Food, Beverages and Tobacco	41%	34.2%	35.4%	34%	35%	33.7%	32.3%
Clothing and Footwear	6%	4.9%	5.1%	4.9%	5%	4.8%	4.6%
Total Non-Discretionary	47%	39.2%	40.5%	38.9%	40.0%	38.5%	36.9%
Discretionary							
Housing and Utilities	12%	11.2%	11.8%	11.5%	12%	11.7%	12%
Household Products	3%	2.8%	2.9%	2.9%	3%	2.9%	3%
Personal Products & Services	8%	8.1%	8.6%	8.5%	9%	8.9%	9.5%
Medical Care and Health Services	7%	7.8%	8.4%	8.4%	9%	9%	10.2%
Transport	17%	17.1%	18.2%	18%	19%	18.8%	20.1%
Communication	2%	2.5%	2.7%	2.8%	3%	3.1%	3.7%
Education	4%	4.4%	4.7%	4.7%	5%	5%	5.6%
Total Discretionary	53%	53.9%	57.3%	56.7%	60%	59.4%	64.1%
Private Final Expenditure in the Domestic Market	100%	100%	100%	100%	100%	100%	100%

(*Source: Technopak Research Report*)

Education Sector in India

As presented in the chart below, the education sector in India is broadly classified into formal and informal segments, both of which are supported by the ancillary segment.



(*Source: Technopak Research Report*)

Note: The informal education segment and the ancillary education segment include organized and unorganized providers.

The formal education segment comprises both K-12 schools (including secondary and senior secondary schools) and higher education institutions (colleges, higher education institutes). Whether government or privately owned, this segment is governed by the 'not for profit' diktat, meaning that such educational institutions in India cannot be operating on a 'for profit' basis.

The informal segment comprises test preparation, tutoring, early education and vocational/skill-based training segments. The informal segment does not have restrictions on operating on a 'for profit' basis and does not have restrictions on profit distribution. (*Source: Technopak Research Report*)

The ancillary segment consists of industries related and supplementary to the formal and informal education segments. As is the case with the informal education segment, ancillary education does not have restrictions on operating on a 'for profit' basis and does not have restrictions on profit distribution. The ancillary segment includes content/publishing, digital content and services such as curriculum management, facilities management among others. It is believed that ancillary or peripheral services are taking on an increasingly 'central' role in education. The ancillary segment is expected to increase the overall quality of education provided in India and stands to benefit from the large-scale growth in the formal and informal education segments. Increase in investment in the ancillary segment is projected given the ability to operate on a 'for profit' basis in India. (*Source: Technopak Research Report*)

The formal, informal and ancillary segments are collectively estimated at US$90 billion as of 2015 and expected to reach US$188 billion by 2020. India has a large population in the education age bracket, consisting of students aged 5-24, which stood at approximately 520 million as of 2016. This is expected to grow to approximately 534 million in 2020. In addition to the growing population, the reduction in drop-out rates is expected to contribute to increase in market size.

The Right to Education Act (RTE Act) is one of the hallmarks of the Government of India's policy which emphasizes the need to implement educational initiatives that leads to increased enrollment ration across all education segments in the coming years. The focus of the Government of India is to enroll 'out of school' children, reduce dropouts and implement as clearly set out in the objectives stipulated in the RTE Act.

Formal Education Segment

The formal education segment comprises K-12 and higher education sub-segments and is subject to extensive regulation, both at the central and state government level.

K-12 Education Sub-Segment

Market size

The K-12 education system in India is one of the largest in the world, with a market size of US$49.5 billion, (*Source: Technopak Research Report*), comprising 1.1 million government schools and 0.4 million private schools. Schools have grown from 1.36 million in 2010 - 2011 to 1.52 million in 2014 – 2015. During 2011-2014, the share of private unaided schools recorded the highest growth rate among other types of schools from 14.2% to 19% (*Source: Nielsen Research Report*).

Numbers of schools by management type

Type of management	2010-11	2011-12	2012-13	2013-14	2014- 2015	CAGR 2010-11 to 2014-15
Government	1,064,604	1,078,407	1,116,891	1,121,867	1,107,109	1.0%
Private aided	70,867	72,874	83,802	83,861	83,042	4.0%
Private unaided	193,740	226,483	262,370	276,719	288,164	10.4%
Sub-Total	1,329,211	1,377,764	1,463,063	1,482,447	1,478,315	2.7%
Others	33,017	34,087	37,705	35,713	38,577	4.0%
Grand Total	1,362,228	1,411,851	1,500,768	1,518,160	1,516,892	2.7%

Source: DISE, School Board reports, Nielsen estimates

(*Source: Nielsen Research Report*)

Governing boards for K-12

Most schools in India are affiliated to one of three main governing bodies for K-12 schools: (a) state level board of secondary/ senior secondary education governing schools in that State that are affiliated to the board; (b) the Central Board of Secondary Education ("**CBSE**"); and (c) the Council of Indian School Certificate Examination ("**CISCE**" or "**ICSE**").

The CBSE is the most common curriculum in secondary school and has a strong emphasis on maths and science. CBSE is governed by the central government and the standards are set by the national government for the syllabus and examinations for classes 9 to 12. CBSE schools have grown at the fastest CAGR of 8.9% during 2011-2015.

The CISCE (more commonly known as the Indian Certificate of Secondary Education) is a private body which sets its own syllabus and exams. The subjects are more diverse and equal importance is given to arts, languages and sciences. The CISCE curriculum is more demanding with an emphasis on English language. ICSE schools have grown at a CAGR of 7.2% during 2011-2015.

Each state government has a board that sets the syllabus and key examinations for schools in the state that follow the state board curricula. Schools affiliated to state board have grown at a CAGR of 2.6% during 2011-2015 (*Source: Nielsen Research Report*)

Some of the key reasons for the rise in in CBSE schools are:

(i) **The Medium of Instruction**: The parents who have transferable job prefer the CBSE schools as the admission in the new place in CBSE schools maintains the same syllabi to follow and hence proving no discomfort for the students. Also, the medium of instruction in the state board schools is mostly in regional languages and English has been given less priority in these schools. English being a preferred instruction language in the higher studies, students prefer over any other language.

(ii) **Infrastructure:** The infrastructure of CBSE/ ICSE schools are better than state board affiliated schools as they would provide better teacher to student ratio, have a clean & hygienic facility, provide better environment for students with options of personality development and extracurricular activities. The infrastructure can help them to have a practical approach to education.

Number of schools by affiliated boards (excluding un-recognized and Madrasa)

Boards	2010-11	2011-12	2012-13	2013-14	2014-15	CAGR 2010-11 to 2014-15	2015-16
CBSE	11,349	12,337	13,898	14,778	15,933	8.9%	17,474
ICSE	1,461	1,565	1,678	1,798	1,927	7.2%	2,181
State board	1,316,401	1,363,862	1,447,487	1,465,871	1,460,455	2.6%	NA
Total	1,329,211	1,377,764	1,463,063	1,482,447	1,478,315	2.7%	-

Source: DISE, School Board reports, Nielsen estimates

(*Source: Nielsen Research Report*)

K-12 Enrolment

During 2011-2015, enrolment in K-12 schools has grown from 248 million to 259 million students, adding an average of approximately 3 million students per annum. While historically, government schools accounted for the majority of schools and enrolments, the private unaided schools have significantly added to the growth in enrollment. Growth in the number of enrolments by school level is provided below:

Number of enrolments by school level

Year	Level				
	Primary (I-V)	Upper Primary (VI-VIII)	Secondary (IX-X)	Senior Secondary (XI-XII)	Total
2010-11	134,759,762	61,873,197	31,852,309	19,468,950	247,954,218
2011-12	139,869,904	63,006,313	34,052,581	21,007,565	257,936,363
2012-13	134,784,560	64,926,683	34,640,103	19,923,782	254,275,128
2013-14	132,428,440	66,471,219	37,296,683	22,314,314	258,510,656
2014-15	130,501,135	67,165,774	38,301,599	23,501,798	259,470,306
% Growth 2014-15 over 2013-14	-1.50%	1.00%	2.70%	5.30%	0.40%
CAGR 2010-11 to 2014-15	-0.80%	2.10%	4.70%	4.80%	1.10%

Source: DISE 2014-15

(*Source: Nielsen Research Report*)

Growth drivers

- **Rising disposable incomes -** The growth in the economy and increase in GDP have led to a rise in income and spending power. This has been accompanied by an increase in spend on education, from 4% of GDP in 2005 to 5% in 2016. The share of spending on basic goods within private final consumption expenditure is expected to decline by 2020. On the other hand, the share of discretionary spending (including education) is projected to considerably increase in the period 2016-2020.

- **Consumer preference for private unaided schools –** India has 1.5 million schools, out of which 0.4 million are private schools. These schools cater to 60% of the school-going population in the country. Increasingly, consumers prefer to send their children to private schools as compared to government schools due to better infrastructure and more conducive environment for learning.

- **Government initiatives on promoting primary education –** Government has taken several steps to universalize education including the Sarva Shiksha Abhiyan, which aims to address the needs of 192 million children across the country and the RTE Act. Government interventions and policy support such as this sends a positive signal to serious providers in the field of K-12 education.

Higher Education Sub-Segment

The higher education sub-segment includes undergraduate, graduate and post-graduate studies conducted at degree and diploma institutions in India. (*Source: Nielsen Research Report*)

India has one of the largest higher education systems in the world, with 34.2 million students enrolled across 777 universities, 38,498 colleges and 12,276 stand-alone institutions. (*Source: Technopak Research Report*)

The Indian Higher Education segment is currently estimated at around US$15 billion (not including the private spend of Indian students studying abroad). This US$15 billion estimate is indicative of the robust status of the higher education market both in terms of the number of students and in terms of private spend.

The higher education segment in India is projected to see a buoyant growth trajectory up to 2019 - 2020. Enrolments, which grew at a CAGR of 5.6% between 2010 – 2011 and 2013 – 2014 (*Source: Technopak Research Report*), is expected to increase by a CAGR of more than 6% from 2014 - 2015 to 2019 - 2020. In addition, higher education segment should benefit from the increased enrolments in senior secondary which grew at a CAGR of 4.80% between 2010 – 2011 and 2014 – 2015.

Higher education in India is regulated at the central and state level. Central regulators include the Ministry of Human Resource and Development, University Grants Commission and the All India Council of Technical Education. State level regulators include departments of higher education and state level committees.

Growth drivers

- **Services Sector contribution to Indian GDP** - India's services sector is the largest contributor to India's GDP (>60%) and is a key driver for India's economic growth. India's services sector attracted

17.6% of the total foreign inflows during the period Apr 2000 – Mar 2016. Constituents of the services sector includes some of the fast growing sub-sectors including IT/ITES, financial services, healthcare, engineering, hospitality, tourism etc. Essentially, the services sector in India provides large scale employment. Higher education is a key pre-cursor to most of the employment opportunities in the fast growing India's services sector.

- **Increasing investment in HE infrastructure - Development of education infrastructure investment** will be the key focus in the current decade to transform the country into a knowledge hub. The Government has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Government also aims to increase digital literacy to at least 50 per cent of Indians from currently 15 per cent over a period of next three years, and is making investments for the same.

- **Increase in disposable incomes** - Over the years, the transition of households from lower income to the higher income households in India has resulted in an increase in per capita spend on education, especially in the urban areas. Additionally, with increasing globalization, a large number of people are beginning to opt for higher education, in a bid to improve their employability.

- **Growth in urbanization** - Increasing urbanization in India over the years has resulted in a larger pool of the population being exposed to global trends, especially in the fields of employment and education. This has increased the incidence of people opting for graduate and postgraduate education.

Informal Education Segment

The informal education segment in India is estimated at US$19.6 billion. This segment comprises test preparation, early education and vocational/skill-based training sub-segments and is less regulated by the Government of India. The informal education segment, along with ancillary education segment do not have restrictions on operating on a 'for-profit' basis. (*Source: Technopak Research Report*)

Test-Prep Sub-Segment

The test preparation market comprises technical/professional course entry exams and employment related exams. Currently, it is estimated that over 26 million students take these exams each year in order to gain admission into professional and post graduate courses (engineering, management, medicine, law and accounting etc.) and also for public sector jobs. Over the past few years, the sector has witnessed a transition from home tuition to a host of renowned chains of coaching classes and digital learning solutions. The mode of knowledge transfer has also evolved from a traditional blackboard classroom to modern technology driven sessions. Once restricted to print content and printed study notes, the segment is evolving to include online content delivery, where students can access course material via online portals and smartphone applications.

The test preparation market caters for:

- Technical/professional course entry exams, including, but not limited to, IIT-JEE, CET, CAT, GATE; and

- Employment linked exams, including, but not limited to, IAS, IES, Railway recruitment, Bank PO.

The Indian test preparation market is estimated at US$5 billion, as of 2015 – 2016. In addition the digital test preparation segment is estimated to be US$50 million. It is expected that the online test prep market will grow at a CAGR of 30% over 2016-2020. (*Source: Technopak Research Report*)

Test preparation market growth is expected to be driven by rising share of private institutions, enrolments and increase in number of exams going online. Students prefer to take online coaching and assessment to become acquainted with the format of the exam. Usually the students are either provided with mock tests or previous year papers, which they can solve to judge their speed and accuracy. They are also provided with analytical charts on perimeters such as accuracy, marks distribution, rank, percentile, number of attempts, total time spent, and more. The shift to online testing by many institutions has led to students to opt for digital test preparation and online coaching to familiarize themselves with the digital format of the examinations.

Early Learning Sub-Segment

Early learning sub-segment caters to the age group of under 5 years old. Literacy is a vital part of a child's success and in the future as an adult, which is why the number of pre-school and child care facilities are increasing in India. Pre-schools is an untapped market in India, with the organized sector enrolment making up approximately 17% of the Indian education industry. The revenue from the early learning sub-segment is currently estimated at US$2 billion in India, growing at a CAGR of 15%.

Early learning market growth is expected to be driven by increasing private investments and rising working parent population.

Vocational / Skill Based Learning Sub-Segment

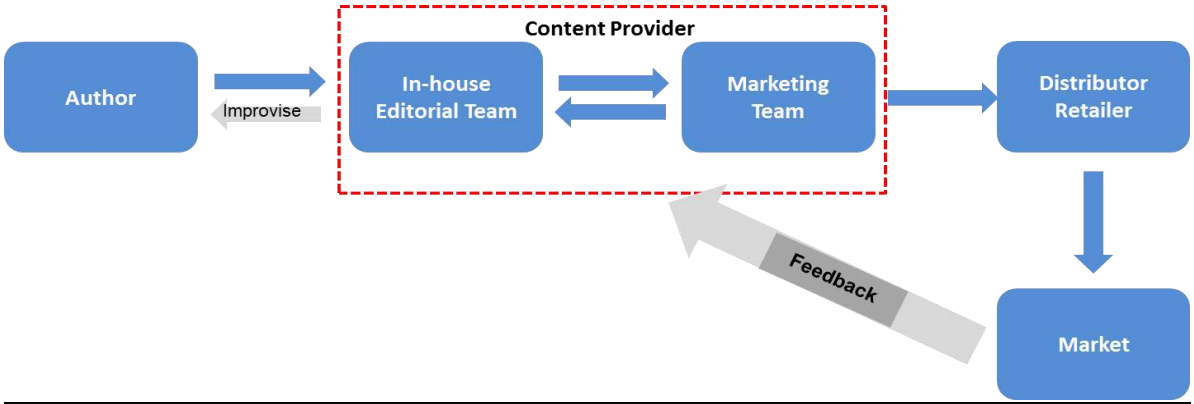
Vocational Education and Skill based learning market in India is estimated at US$5 billion and slated to grow at an annual CAGR of 18% from 2014 – 2015 to 2019 – 2020. As India transitions into a knowledge-based economy, the need for skilled and highly-trained workers becomes vital. Nearly 26% of the employment-eligible population is currently unemployed and 90% of those employed need vocational training to gain the necessary skills. The employability of India's population demonstrates a huge growth potential of India's vocational education and skill development landscape.

The vocational/skill-based market growth is expected to be driven by growing working age group population, job creation by government institutes and high growth expected in key economic sectors. This is fueled by the Government of India's initiatives in furthering vocational education such as setting up of the 'National Council for Vocational Training' and setting up state councils for vocational training at the State level and Trade Committees have been established to assist that respect as well. Other innovative initiatives include "Make in India" and "Skill in India" which promotes vocational skills and denotes the importance placed on this sub-segment by the government.

Ancillary Segment

The ancillary segment of India's education sector is estimated to be worth approximately US$6.2 billion in 2015, and is expected to grow at a CAGR of 21% up to US$15.4 billion by 2020. The ancillary segment comprises the industries related and supplementary to both formal and informal education segments and therefore is a direct beneficiary of the growth in both education segments. It is believed that the ancillary segment is taking an increasingly 'central' role in education given the increasing participation of the private sector in Indian education. The ancillary segment includes participation from content providers, digital and other service providers. Content providers develop a repository of education content by leveraging their editorial capabilities and author relationships which is delivered either in print medium (textbooks, reference books or supplementary books) or a digital medium (online education, e-books etc.). Digital providers use the digital medium of delivering education solutions (including content, hands-on learning tools and assessment) where the content is developed in-house or sourced from a content provider. Other services include innovative offerings (curriculum management, etc.) that aid and improve K-12 learning.

Content sub-segment Content providers help identify the education content need and help create relevant content to address consumer needs. Content providers create relevant content by working along with the authors and in-house editorial teams. Content provider leverage their distribution strength to reach out to consumers, including students, educators and educational institutes. The content providers' role is central in the education industry.



(Source: Technopak Research Report)

The content provider provides an important platform for author offerings to be delivered to consumers. The content provider not only acts as the platform, it also helps create brands for the author offerings by providing them reach and scale of outreach to consumers. Agreements with authors may be on an exclusive or a non-exclusive basis and the content provider typically pays a share of the revenue to the authors. Additionally, the content provider acts on consumer feedback to improve author content through in-house editorial teams that work with authors. The content providers' in-house editorial team also develops in-house titles. The content providers typically have in-house sales team who are the point of contact with the educators, educational institutes, distributors and retailers for introducing new content on a regular basis, finalizing delivery orders and assimilating feedback to improve content. Once the orders are placed, the content provider completes the order fulfilment through a network of distributors. The strength of the distributor network is key for a content provider to reach out to and service a larger number of educational institutions, as well as create brands (authors and titles).

The total Education Content market size in India is US$4.5 billion. (*Source: Nielsen Research Report*)

Growth Drivers

The estimated overall growth in the Education Content market size is attributable to the following factors:

- **Growing Literacy Rate**: The literacy rate in India has shown a significant improvement over the last decade, increasing from 64.8 per cent in 2001 to 74 per cent in 2011, and it is projected to reach 90 per cent by 2020. (*Source: Census 2011*)

- **Growth in the number of schools:** Schools have grown at a CAGR of 2.5%, with their numbers increasing from 1.25 million in 2007–08 to 1.44 million in 2013–14

- **Growth in enrolment:** Enrolment has grown at a CAGR of 1.5%, with its number increasing from 236 million in 2007-08 to 259 million students in 2013–14

- **Improving Gross Enrolment Ratio (GER):** The GER at the primary level is high (99.3 per cent), with somewhat lower rates at the upper primary level (87.4 per cent), secondary (73.6 per cent) and senior secondary (49.1 per cent). There is however a consistent upward trend in student enrolments (as per U-DISE report 2013-14)

- **Decline in drop-out ratios:** Drop-out rates have shown a decline from 2010–11 across all levels, indicating a positive trend. Yet another positive development in the K-12 school sector is the relatively lower drop-out rate observed among girls compared to boys in both 2012–13 and 2013–14.

- **Growth in the number of private institutions:** India had 320,020 private K-12 schools in 2013–14. This segment grew at a CAGR of 4.6% from the period 2007–08 to 2013-14

  Government spending on education: According to the Twelfth Five Year Plan report, aggregate public spending on education during the Eleventh Five Year Plan period is estimated at USD$ 194.4 billion for both the Central and State Governments taken together. About 43 per cent of the public expenditure on education was incurred for elementary education, 25 per cent for secondary education

- **Growth in urbanization:** The rise of small towns (Middle India) in India offers various opportunities for the educational sector, as well as those publishers associated with the K-12 and higher education market. Increasing urbanization in India over the years has resulted in a larger pool of population being exposed to global trends, especially in the fields of employment and education. This has increased the incidence of people opting for higher education in graduate and postgraduate courses as well as vocational training for specific skill enhancement

Content market size for K-12 sub-segment

The K-12 education content market is estimated at US$ 3,366.2 million and has grown at a 19.3% CAGR from

2011 - 2015. With a large market share, the state board affiliated school content market presents a large opportunity for a pan India content provider. Central board affiliated schools (i.e. CBSE/ICSE schools) have exhibited the faster growth at 21.7% CAGR from 2011 - 2015, aided by the participation of private sector.

Using available data based on enrolment figures, drop-out rates and individual expenditure on educational books, Nielsen has estimated the current spending levels* in the K-12 education segment as follows:

TOTAL K-12	2010-11	2011-12	2012-13	2013-14	2014-15	CAGR
CBSE	203.1	251.5	304.6	371.8	445.2	21.7%
ICSE	28.1	34.4	40.6	50.0	59.4	20.5%
State board	1433.9	1718.2	2046.2	2447.7	2861.6	18.9%
Total	**1665.1**	**2004.1**	**2391.4**	**2869.5**	**3366.2**	19.3%

**All estimated market figures are US$ million.*

(*Source: Nielsen Research Report*)

Content providers regularly interact with schools, educators and retailers. A primary aim is to get 'adoptions' or 'prescriptions' of print content by schools, so that print content becomes a core resource used by students on a particular course or in a particular class. This results in multiple sales of that title as every student on that course needs access to it. The schools affiliated to CBSE and ICSE prescribe a list of books for each of the classes which the students/parents purchase at the beginning of the academic year from content providers nominated by the school. Once the list of prescribed books is handed over to the bookseller/supplier they place an order with the respective content provider or distributors and arrange stocks. In state-run schools, most of the text books on core subjects are supplied by the respective state government. The content providers focus on non-core subjects (or additional books) and on supplementary reference material. The non-core subjects are part of the reading lists recommended by the state board schools.

Print content from K-1 to K-8 are prescribed by the school and students buy this print content from retailers. In K-9 to K-12 segment schools recommend print content and students have the option of choosing from several options available in the market.

Although the school book sales are seasonal, the sales and marketing process is carried on throughout the year although it commences formally post November. Sales teams from content providers call on schools to speak to relevant subject teachers in order to ensure that existing core titles remain on the 'prescription' list and to present forthcoming or new titles that would be appropriate for a course. Content providers also maintain close contacts with school bookshops so that they are kept fully aware of what text books are adopted, and to ensure that supplies of appropriate text books are available as and when demand is likely. The main promotion season starts in September each year, and continues through to March the following year.

(*Source: Nielsen Research Report*)

Competitive landscape of K-12 content providers

Company	S Chand And Company Limited	Navneet Education Limited	Orient Blackswan Pvt. Ltd.	Ratna Sagar Pvt. Ltd.	Macmillan Publishers India Pvt. Ltd.	Holy Faith International Pvt Ltd. (MBD GROUP Ltd.)	Cambridge University Press India Pvt. Ltd.	Rachna Sagar Pvt. Ltd.	HarperCollins Publishers India Ltd.
Period (latest available)	1.4.15 to 31.3.16	1.4.15 to 31.3.16	1.4.14 to 31.3.15	1.4.14 to 31.3.15	1.1.14 to 31.12.15	1.4.13 to 31.3.14	1.4.14 to 31.3.15	1.4.14 to 31.3.15	1.4.13 to 31.3.14
Revenue from operations *	537.8	534.6	183.9	183.2	168.6	131.3	111.1	80.9	45.3
% revenue growth	12.8%	-3.1%	12.5%	7.2%	10.1%	-5.6%	6.8%	7.9%	1.1%

Note: Pearson and OUP are been excluded from above table as their revenue figures from direct publishing were not available.

**From all segments as per details available at Ministry of Corporate Affairs Register of Companies. All figures are in crores.*

Consolidation opportunities

The school market segment is very fragmented. There are big national content providers with a pan-India presence and several small national content providers in addition to the regional providers who are very strong in their respective markets. There appears to be a consolidation opportunity for large content providers who can acquire smaller providers with both a national and, particularly, a regional presence.

Such consolidation activity would enable a better reach/brand equity and market share in Tier II cities and towns where such regional content providers are already established in their respective markets. The regional content providers cater to state board schools and reach the remote areas in their respective states with good local market knowledge and books specially published for state board schools. Their knowledge of the market and reach in the remote areas are very good.

Due to the diverse landscape, it is likely that there will be further consolidation of educational content providers over the next five years for the following key reasons:

- The internet and digitization are important opportunities for joint ventures to attract new students and create a market for offering digital content to government/private schools and engineering colleges.

- Smaller providers operating in the education market have less expertise or subject matter knowledge compared to the well-known brands, but the reach within their peripheral is significant. Hence consolidation will happen to gain market share mostly through vertical integration of smaller players.

Collaboration opportunities also exist with the international publishers e.g. for dictionaries. There is an opportunity for key providers in this market to acquire smaller companies with strong lists as well as collaborate with international publishers. Other opportunities exist to offer enhanced digital support to schools which adopt their books; this is particularly important in core subject areas like ELT, Science, Maths etc.

Consequently, publishers are taking a larger role as content providers by leveraging their expertise to provide tailored content through multiple mediums. These publishers are uniquely positioned as content providers rather than standalone textbook publishers.

Content market size for higher education sub-segment

In the higher education content segment, general education content has grown at 35.5% CAGR during 2011-2015 and the professional education content has grown at 15.0% CAGR during 2011-2015.

General Education can be broadly defined to include arts, commerce and science. Professional Education broadly includes engineering, management, law, medicine, IT/computer science subjects.

India has one of the largest higher education systems in the world, with 34.2 million students enrolled in more than 35,000 degree and diploma institutions in the country. Using available data based on enrolment figures and individual expenditure on books, Nielsen estimated that the current overall spending levels* in the higher education segment on print content are as follows:

Total Higher Education	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**CAGR**
General Edu.	193.7	262.4	356.1	482.7	654.5	35.5%
Professional Edu.	254.6	292.1	335.8	387.4	445.2	15.0%
Total	448.3	554.5	691.9	870.1	1099.7	25.1%

**All market estimate figures are US$ million.*

(*Source: Nielsen Research Report*)

Content market size for test preparation

The test preparation content sub-segment includes books for various entrance exams, including IIT JEE, CAT, GATE, NDA and public sector jobs. It is estimated that over 26 million students take up exams in India to gain admission into higher education, professional, post-graduate courses and public sector jobs. Test preparation content offerings constitute both specific offerings for technical exams as well as common offerings that are utilized across exams. The test preparation market size for print content as at 2015 – 2016 is estimated to be

US$465.3 million. The leading entrance exams and the market size are detailed in the chart below:

Examination	Approx. # of candidates appeared	Avg. Retail value of books purchased (US$)	Total value in US$ million
Technical/professional course entry exams:			
Bachelor of Education	2,00,000	9.4	1.9
CAT	2,00,000	15.6	3.1
CET	15,00,000	18.7	28.1
CLAT	50,000	9.4	0.5
CTET	7,50,000	15.6	11.7
GATE	6,00,000	19.5	11.7
IIT JEE	12,50,000	93.7	117.2
NDA	7,50,000	9.4	7.0
NEET (Medical)	10,00,000	18.7	18.7
NTSE	10,00,000	6.2	6.2
Employment linked exams:			
Bank Clerical	20,00,000	11.7	23.4
Bank PO	10,00,000	15.6	15.6
IAS	9,50,000	35.1	33.4
IES	10,00,000	39.1	39.1
Staff Selection Commission	18,00,000	11.7	21.1
State Public service commission	20,00,000	4.7	9.4
Railway Recruitment Board - Non technical	1,00,00,000	11.7	117.2
Total	**2,60,50,000**		**465.3**

(Source: Nielsen Research Report)

Digital Sub-Segment

Digital education offerings are increasingly seen as important to supplement the education content for the formal and the informal education segments. Digital education offerings include device based learning, mobile learning applications, online test platforms and online marketplaces that connect students with tutors. The digital education market in India has witnessed a consistent growth, but is still at a nascent stage. Currently, most content providers are digitizing content for delivery to consumers. For example, content providers in the K-12 education segment are increasingly seeing the importance of digital education and are therefore providing hybrid solutions, such as print content along with content on CD. Digital education offerings are becoming important to content providers due to increasing importance attached to digital education and demand by educational institutes. Content providers are looking to leverage their brand and position themselves strongly in the digital education space to capitalize on the rapid growth of these supplementary innovative digital offerings. Content providers with digital offerings are likely to emerge as 'winners in the long term' given that content and technology are amongst the pillars of growth in the Indian education sector.

The Indian digital education sector has evolved from hardware-based smart-class solutions to being content-based digital formats. While smart-class solutions continues to be the largest segment, the sub-segment has witnessed numerous innovative digital learning solutions that include device based learning solutions, online learning/test preparation modules and simulation.

Details of the current digital offerings in the Indian education sector are provided below:

Sub-Segment	Description	Market Size (US$ million)	CAGR (%)	Key Providers
Digital Segment				

Sub-Segment	Description	Market Size (US$ million)	CAGR (%)	Key Providers
Digital Classroom Learning Solutions	Digital classroom learning solutions include the use of live videos and animation to make classes more interactive and allow students access to learning materials outside of the regular classroom setting. Smart Class includes the use of content driven digital learning classroom.	1,100	15%	DS Digital ExtraMarks Education TeachNext by Next Education Pearson DigiClass Tata Class Edge Educomp
Online Test Preparation	A key sub-segment, online test preparation involves online coaching to prepare for the exams including JEE, AIPMT, CET, and CAT etc.	50	30%	TCY Learning Embibe Plancess SuperProfs WizlQ BYJU's Online Tyari Testbook Vista Mind Toppr Testfunda
Online Certifications	Online certification imparts education through short term online courses followed by a certification to be granted to the student by online certification providers	50	20%	Simplilearn Coursera Grey Campus AnalytixLabs Jigsaw Academy Manipal ProLearn Edvancer Eduventures Ivy Professional School James Lind Institute Intellipaat
E-Books	E-books is an electronic version of a print book that can be read on an e-book reader, mobile phones, tablets, computer etc.	47	24%	kopykitab.com Kobo e-books iBooks by Apple Kindle Pressmart Google Play
Mobile Apps and Tablet Learning Solutions	A highly lucrative segment for premium schools. It provides students with an individual learning platform and is an advanced form of device-based learning.	37	62%	Tabtor by Prazas Learning Ignitor by Edutor iProf Repro by Rapples Pearson MXTouch Robomate by MT Educare BYJU Magic Pencil by Enable Mobile Dynamic Pixel Multimedia Solutions classpad.in Guru-g
Learning Management Systems	LMS is a software application for the administration and delivery of e-learning courses or training programs for schools.	20	23%	G-Cube Ballistic Learning Bolster Solutions Vidya Mantra Smart School

Sub-Segment	Description	Market Size (US$ million)	CAGR (%)	Key Providers
STEM/DIY Learning, AR and Robotics	STEM Learning, AR and robotics improve learning outcomes by encouraging learning through virtual and augmented reality, etc.	13.5	90%	Smartivity Flintobox Robolab STEM Learning STEM Champ Sareddy Jay Robotrix DiscoverEd Robosapiens Think Labs Axiom Research Labs
Simulation and Virtual Reality	Simulation and Virtual Reality learning solutions utilises software to create real world like experiences/situations for students.	13	60%	Indusgeeks Octave Simulation Knolskape Tata Interactive Systems Excelsoft SmartVizX Pvt. Ltd SpectraVR Studio
Online Home Tutoring	Online Home tutoring is tutoring administered through a technology platform for an academic subject or test preparation. It also includes marketplaces that connect students and home tutors for personalized learning.	3.5	30%	Vedantu MyPrivateTutor 2tion TutorVista FlipClass TCY Learning Eduwizards

Growth Drivers

Other Services Sub-Segment

Others services include offerings such as curriculum management and sports management and certain non-core services including school transport and facility management. The core service offerings are seeing increasing adoption by schools and have gained importance for private sector providers. By offering these services, content providers make further inroads into the relationship with educators and educational institutes, thereby increasing presence and penetration across content, digital and other service offerings. This further increases the relevance of the content provider in the K-12 education segment ecosystem.

Sub-Segment	Description	Market Size (US$ million)	CAGR (%)	Key Providers
Services Segment				
Curriculum Management	Curriculum management is the process of the creation, development, design, review, assessment, and refinement of learning content to achieve certain pre-defined student learning outcomes	47	60%	XSEED EZ Vidya IMAX (Policy Innovations)
Assessment	Assessment for K-12 involves testing modules for skills learned in different subjects.	28	20%	MeritTrac Aspiring Minds Cognix Knowledge Services (P) Ltd. Co-cubes TCSion AssessPeople Services (I) Pvt. Ltd. Induslynk Training Services Pvt. Ltd. Aptech Assessment & Testing Solutions Ace Assessments Pvt. Ltd. C&K Management

Sub-Segment	Description	Market Size (US$ million)	CAGR (%)	Key Providers
				Limited Pearson's Talent Lens Eduquity Career Technologies Pvt. Ltd. Report Bee
Child Skill Enhancement	Child skill enhancement includes abacus, Vedic math, vocabulary, and dance academies.	55	20%	Kids Concepts Aspire India Brainobrain Kids Academy Bragnam AVAS – Abacus and Vedic Maths Study SIP Academy UCMAS India Smart Kids Education Pvt. Ltd. Skill Angels

Growth Drivers

- **Increasingly growing participation by privately owned educational institutions:** Recently, a large number of chain schools have opened up in tier 2 and tier 3 cities. In order to ensure uniformity in content, assessment methods and quality of delivery in all the school branches, these institutions are increasingly adopting curriculum management and assessment tools.

- **Rising private spend on education:** Realizing the importance of holistic development of the child, parents' willingness to spend on child's education has risen. Parents also understand the value of various activities such as sports and additional skill enhancement in the child's growth process (such as problem solving, analytical skills and experiential learning i.e. skills which are beyond the academic). Rather than enrolling their children in after school classes for extra-curricular activities, parents prefer to pay extra for additional services in school itself provided the school ensures quality of delivery.

- **Competitive Intensity:** There has been an increase in competition among private schools. In order to differentiate themselves from their competitors, private schools have started offering additional services like assessment tools, additional content, sports education and infrastructure etc., this has led to hiring of specialist service providers in these ancillary areas.

- **Lack of Quality Teachers and Tutors**: The lack of quality teachers and tutors which necessitates the adoption of a full end-to-end academic solution tools to standardize the teaching learning process and train and monitor the teachers to enhance the quality of delivery.

Nielsen Research Report

We commissioned Nielsen (India) Private Limited, a global performance management company, to conduct an analysis of, and to report on, the Indian education industry in general, the competitive landscape of the educational publishing market in India and the evolving trends in the school education market

Nielsen's independent research was undertaken based on both primary as well as secondary research. Primary sourcing involved interactions with leading K-12 publishers to understand key market parameters such as the standard sales processes carried out by school publishers, the top selling titles in the market and consolidation opportunities in the K-12 segment. Secondary research involved reviewing publically available data from government entities such as the Indian Ministry of Human Resource Development (MHRD), the District Information System for Education (DISE), the National University of Educational Planning and Administration (NEUPA) and other government agencies to analyze and derive market estimation for the K-12 market.

Technopak Research Report

We commissioned Technopak Advisors Pvt. Ltd., an independent, integrated research consultant, to conduct an

analysis of, and to report on, the Indian education industry in general.

In compiling its report, Technopak Advisors Pvt. Ltd. relied on the following sources of data: (a) company websites; (b) annual reports of education companies; (c) financial information filed with the Indian Ministry of Corporate Affairs; (d) industry reports on education; (e) Technopak generated reports on education; and (f) Indian Government sources such as MHRD, AICTE, DISE, Census, NSSO.

OUR BUSINESS

Certain data included in this section in relation to certain operating metrics, financial and other business information and data (such as the number of books sold, titles printed, authors, co-authors, employees, warehouses, dealers and distributors) have been reviewed and verified by J. P. Chawla & Co. LLP, independent Chartered Accountants and third party consultants and not been independently verified by the BRLMs.

In this section, references to "we" and "our" are to S Chand And Company Limited and its Subsidiaries on a consolidated basis and references to Chhaya are to Chhaya Prakashani Private Limited and its subsidiaries on a consolidated basis.

*Our consolidated operating revenue as set forth in this section include our subsidiaries as consolidated in our consolidated restated financial statements as set forth in the section entitled "**Financial Statements**" on page 207.*

Our acquisition of 74% of the share capital of Chhaya Prakashani Private Limited was completed on December 5, 2016. We have consolidated the financial statements of Chhaya as at December 31, 2016 and for the period from December 6, 2016 to December 31, 2016 in our Restated Consolidated Financial Statements for the nine months period ended December 31, 2016. The financial statements of Chhaya have not been consolidated in our Restated Consolidated Financial Statements for Fiscal 2016 or any prior Fiscal Year. In addition, all statistics set forth in this section do not include Chhaya, unless otherwise indicated.

Overview

We are a leading Indian education content company in terms of revenue from operations in Fiscal 2016. (*Source: Nielsen Research Report*). We deliver content, solutions and services across the education lifecycle through our K-12, higher education and early learning segments. We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India. As of December 31, 2016, we offered 55 consumer brands across knowledge products and services including *S. Chand, Vikas, Madhubun, Saraswati, Destination Success* and *Ignitor.* We believe that these brands have benefited by our strong brand management philosophy which embraces consistent efforts to upgrade content quality and to update content regularly. Further, in December 2016, we acquired 74% of the outstanding share capital of Chhaya Prakashani Private Limited (our "**Chhaya Acquisition**"), and we now offer four Chhaya brands including *Chhaya* and *IPP*. Our textbooks and instructional materials are supported by our offering of technology driven methods of education and digital learning. We sell our knowledge products and services to schools and to students across their lifecycle through our extensive pan-India network of sales offices, distributors and dealers.

In Fiscal 2016, we sold 35.47 million copies of a total of 11,144 titles. Additionally, Chhaya sold 9.88 million copies of 433 titles in Fiscal 2016. Our top ten best-selling titles accounted for sales in Fiscal 2016 of 2.96 million copies, and 15 of our authors have each sold over one million copies of their titles during the last five fiscal years. We have a contractual relationship with at least 1,958 authors (including co-authors) for over five years as on March 31, 2016. Additionally, Chhaya has contractual relationships with at least 24 authors (including co-authors) for over five years as on March 31, 2016. We use our track record of progressing authors' careers and providing on-going editorial team support to authors for creating new products and solutions and refreshing existing products to help us retain and attract the best authors.

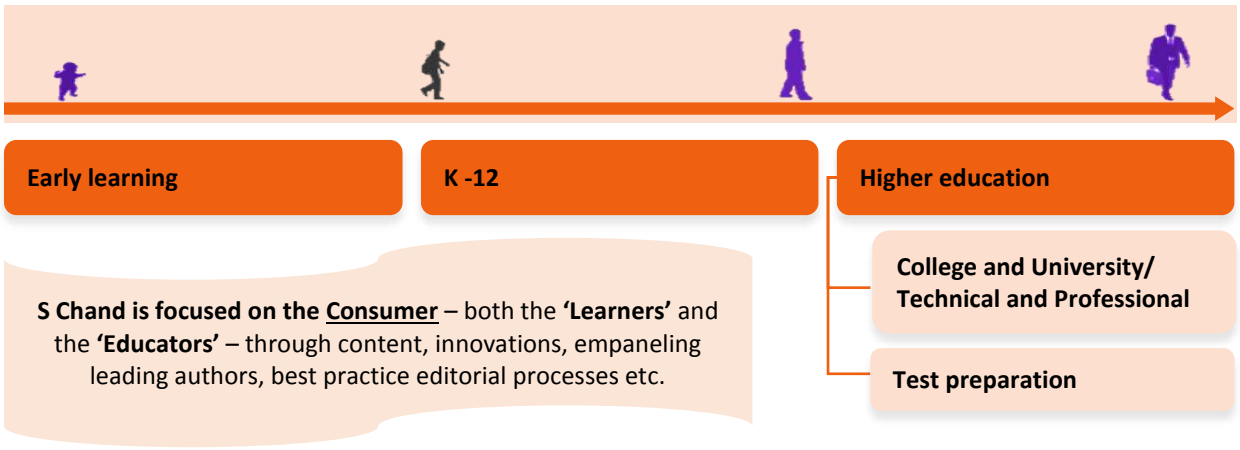
As of December 31, 2016, our distribution and sales network (not including Chhaya) consisted of 4,932 distributors and dealers, and we had an in-house sales team of 838 professionals working from 52 branches and marketing offices across India. Our Chhaya Acquisition has expanded our presence in Eastern India to include an additional 771 distributors and dealers as of December 31, 2016. We consider our schools, teachers and student customers to be our "touch points", and our sales teams are responsible for forging relationships with our customers across our K-12, higher education and early learning businesses. In our K-12 business, we market our content to educators and schools to place our products on prescribed and recommended reading lists. In higher education and early learning, we market our products directly to distributors, dealers and consumers.

We have developed a robust supply chain by rationalizing and integrating our procurement, manufacturing and

logistic capabilities. In Fiscal 2016, over 85% of our printing requirements were met by our facilities located in Sahibabad and Rudrapur. Our print facilities and distribution networks are supported by our logistics network, which as on December 31, 2016, comprised 42 warehouses located in 19 states to allow coverage across India. Our paper purchases are integrated, which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

Since the establishment of our predecessor S. Chand & Co. over seventy years ago, our operations cover the entire student lifecycle: early learning, K-12, and higher education. Over the last few years, we have focused on improving our digital offerings in each of our business segments.

The following diagram illustrates our participation in the education lifecycle through these business segments:



Our K-12 business

We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen. Within the K-12 education content market, CBSE and ICSE affiliated schools are the largest portion of our business, and we are also working to build our position in unaffiliated and state board affiliated schools.

Our K-12 content portfolio includes titles developed by authors and developed in-house by our editorial teams ("home grown"). We offer K-12 textbooks, reference materials and hybrid content products. To complement and diversify our home-grown product portfolio and our *S Chand* brand, we acquired the *Madhubun* and *Vikas* brands in Fiscal 2013 pursuant to the acquisition of VPHPL to bolster our offering in Hindi language titles and, in Fiscal 2015, we acquired NSHPL and the *Saraswati* brand for its strength in languages and arts and crafts titles. Through the Chhaya Acquisition, we expanded our presence in Eastern India as well as strong regional brands. As part of our business strategy, we have enhanced our offering from only printed content to hybrid offerings (which includes digitally enabled content with print) and also provide supplemental services in digital education domains.

Through our pan-India sales teams, we market our content and services to schools, educators and students for placement on prescribed and recommended reading lists. We sell the requested K-12 content to our distributors for re-sale to K-12 institutions and students.

Our major K-12 offerings are *S Chand, Vikas, Madhubun, Saraswati, Ignitor* and *Destination Success* as well as the *Chhaya* and *IPP* brands added recently as part of our Chhaya Acquisition. K-12 is our largest business, contributing to 72.49% of our consolidated operating revenue in Fiscal 2016, amounting to ₹3,898.21 million. From Fiscal 2012 to Fiscal 2016, our K-12 consolidated operating revenue grew at a CAGR of 46.83%.

Our higher education business

Our higher education content business covers two components: test preparation and college and university/technical and professional. In the higher education segment, we offer printed content and hybrid

content products. Higher education is our second largest business and it contributed 23.85% of our consolidated operating revenue in Fiscal 2016, amounting to ₹1,282.31 million. From Fiscal 2012 to Fiscal 2016, our higher education consolidated operating revenue grew at a CAGR of 11.28%.

Test preparation

We are a provider of material required for test preparation in competitive exams, including entrance examinations and examinations required for government positions. Our print content is complemented by digital learning solutions and online assessment tools. In Fiscal 2016, our most popular test preparation subjects were quantitative aptitude, verbal and non-verbal reasoning and mathematics. Major test preparation brands offered include *S Chand, Ignitor, Testbook* and *Online Tyari*. In Fiscal 2016, we printed 109 titles, and sold 1.98 million test preparation books.

Test preparation contributed to 10.76% of our consolidated operating revenue in Fiscal 2016, amounting to ₹578.50 million. From Fiscal 2012 to Fiscal 2016, our test preparation business consolidated operating revenue grew at a CAGR of 15.31%.

College and University/ Technical and Professional

We provide students, instructors and institutions with content for college and university courses, including accounting, economics, physics and medicine, as well as customized content for distance learning. We have a library of titles covering a substantial spectrum of subjects, written by some of the top authors in their respective fields. Our *S Chand* brand has a strong focus in chemistry, commerce, management and physics and our *Vikas* brand is strong in commerce and management.

In addition, we provide technical and professional titles for instructors and institutions which cover a range of courses including engineering, applied sciences and computer sciences. Our products include print content and digital products that are easily accessible by students and professional customers. Primary technical and professional brands offered by us are *S Chand and Vikas*.

In Fiscal 2016, we sold 2,920 titles and over 2.86 million books in our college and university/technical and professional business. College and university/technical and professional contributed to 13.09% of our consolidated operating revenue in Fiscal 2016, amounting to ₹703.81 million. From Fiscal 2012 to Fiscal 2016, our college and university/technical and professional consolidated operating revenue grew at a CAGR of 8.43%.

Our digital and service offerings

We focus on digital education across our K-12 and higher education business segments. We plan to use digital technology to innovate learning and content delivery as a complementary offering to our K-12 and higher education segments. Over the last three years, we have coupled our print content with digital and interactive methods of learning, thereby providing with flexibility in the delivery of content to students. Hybrid print and digital products complement our existing print content with online applications and interactive learning. Our aim is to lead the transition to digital in the knowledge industry. To achieve our aim, we have strategically invested for growth both through organic build out and through investment in early stage education companies.

In the K-12 business segment, we offer digital solutions to improve quality of learning by providing content solutions for classrooms, for devices and through other emerging methods. We have presence in the classroom learning segment through our licensed brand *Destination Success*, presence in device based learning through our in-house brands, *Mystudygear* and *Intellitab*, as well as through an investee company brand *Ignitor* and presence in other segments of K-12 through our investments in *Smartivity* (STEM based learning) and *Flipclass* (marketplace for tutoring).

In the higher education segment, our digital efforts are focused on test preparation. In test preparation, there is a gradual shift to the online examination formats and this trend has increased demand for online content and assessment solutions. We have enhanced our presence in both the content and assessment domains through our investments in Next Door Learning Solutions Private Limited (for the *Online Tyari* brand) and Testbook Edu Solutions Private Limited (for the *Testbook* brand), which are online test preparation platforms.

In Fiscal 2016, our hybrid offering contributed 38.82% of our consolidated operating revenue from the K-12

segment and purely digital offerings contributed 5.55% of our consolidated operating revenue from the K-12 segment.

Our financial performance

Our recent financial performance is highlighted by our results of operations provided below.

(5) Our consolidated restated revenues grew at a CAGR of 32.64% over the past five Fiscal years from ₹1,746.44 million in Fiscal 2012 to ₹5,406.27 million in Fiscal 2016;
(6) Our consolidated restated EBITDA grew at a CAGR of 47.47% over the past five Fiscal years from ₹271.07 million in Fiscal 2012 to ₹1,282.16 million in Fiscal 2016.
(7) Our consolidated restated profit after tax and before minority interest grew at a CAGR of 33.48% over the past five Fiscal years from ₹146.91 million in Fiscal 2012 to ₹466.42 million in Fiscal 2016;
(8) Chhaya's consolidated revenues was ₹1,286.23 million and ₹705.74 million and consolidated profit after tax was ₹302.35 million and ₹115.31 million, in each of Fiscal 2016 and Fiscal 2015, respectively.

The Restated Consolidated Financial Statements, Chhaya's Consolidated Financial Statements and our Pro Forma Financial Statements are set forth in the section entitled "***Financial Statements***", "***Proforma Financial Statements***" and "***Financial Statements of Chhaya Prakashani Private Limited***" on pages 207, 401 and 410, respectively.

Competitive Strengths

We believe that we have the key competitive strengths set forth below. Our competitive strengths should be read in conjunction with, and with careful consideration of, the risks to our business set forth in the section entitled "***Risk Factors***" beginning on page 16.

Comprehensive consumer focused education content player with touch points across education lifecycle

We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India. Our content, solutions and services address the education lifecycle including early learning, K-12 and higher education.

We are focused on the consumer, both students and educators, and we develop and nurture our relationships with customers by developing quality content and educational innovations, empanelling authors, creating content and employing best practice editorial processes. Our products and service offerings address the education requirements of students – these products and offerings include print content, digital and hybrid offerings across our businesses. We work closely with the educators and authors, and regularly integrate feedback received from authors, educators and students into our knowledge products to improve and innovate our offering. We believe that our strong consumer connection allows us to drive sales to students, parents and schools and also allows us to place our products on prescribed and recommended reading lists.

We believe that our business is a key beneficiary of the increasing share of education within the discretionary expenditure of the Indian consumer, and our presence across the student lifecycle allows us to generate recurring revenue throughout student's lives. Our full lifecycle approach provides us with a strategic advantage over competitors that are focused only on individual segments of the education life cycle. We have established our brand equity from the strong consumer connections that we developed during the student life cycle.

We have invested over seventy years (including our predecessor S. Chand & Co.) in knowledge and content development to arrive at our comprehensive presence in the consumer education lifecycle. We have a contractual relationship with at least 1,958 authors (including co-authors) for over five years as on March 31, 2016. Additionally, Chhaya has contractual relationships with at least 24 authors (including co-authors) for over five years as on March 31, 2016. In Fiscal 2016, we sold 35.47 million copies of our titles, and 67 of our titles sold at least 50,000 copies each.

Strong brand equity with high consumer recall

We believe our books are sold based on our strong brand equity, popular titles and author recognition. In 2016,

S. Chand was conferred with "Business Superbrand' which is valid until the end of 2017. As of December 31, 2016, we offered 55 consumer brands including *S Chand, Vikas, Madhubun, Saraswati, Destination Success* and *Ignitor* as well as the *Chhaya* and *IPP* brands pursuant to our Chhaya Acquisition. Our consumers have high visibility of our brands, content, products and services throughout the education lifecycle. We maintain consumer brand recall by consistently upgrading content quality and augmenting content with supplementary digital and hybrid offerings.

In Fiscal 2016, we sold 35.47 million copies of our titles and Chhaya sold 9.88 million copies of its titles. Our top ten best-selling titles accounted for sales in Fiscal 2016 of 2.96 million copies, and 15 of our authors have each sold over one million copies of their titles during the last five fiscal years. We believe that we retain and attract leading authors due to our track record of progressing authors' careers. Our editors support our authors by assisting them to upgrade and update their content and to develop new content in conjunction with faculty members and experts in the various subjects.

Leading position in the K-12 market

We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India.

We are also working to build our position in the unaffiliated schools. In addition, we have evolved our print content business to include hybrid and digital learning solutions (for example, digital brands *Destination Success, mystudygear*). K-12 is our largest business segment, contributing to 72.49% of our consolidated operating revenue in Fiscal 2016, amounting to ₹3,898.21 million. In Fiscal 2016, we sold 26.78 million books in our K-12 business which reflects our wide reach to the student community. From Fiscal 2012 to Fiscal 2016, our K-12 consolidated operating revenue grew at a CAGR of 46.83%.

To complement and diversify our home-grown product portfolio and our *S Chand* brand, we acquired the *Madhubun* and *Vikas* brands in Fiscal 2013 pursuant to the acquisition of VPHPL to bolster our offering in Hindi language titles and, in Fiscal 2015; we acquired NSHPL and the *Saraswati* brand for its strength in languages and arts and crafts. Through the Chhaya Acquisition, we expanded our presence in Eastern India as well as acquired strong content brands.

By selling our content through multiple brands and sales teams, we have developed multiple touch points across our K-12 business. Through these relationships, a range of our brands and content are featured on prescribed and recommended school reading lists, which allows us to sell multiple brands, titles and subject matters. These relationships also help us to establish brand recognition amongst students in K-12 schools as they become familiar with our brands and titles through the reading lists, which we believe carries on to the higher education as students' progress through the education lifecycle. In addition, we leverage our K-12 relationships to cross-sell our digital offerings and education services such as digital classroom learning solutions, learning management solutions and assessment tools.

Strong integrated in-house printing and logistic capabilities

We have developed a robust supply chain ensuring optimization of our back-end operations and processes. This has been achieved by rationalizing and integrating our procurement, manufacturing and logistic capabilities.

We have fully integrated our printing needs and capabilities, such that in Fiscal 2016, over 85% of our printing requirements were met by our facilities located in Sahibabad and Rudrapur. During Fiscal 2015 and Fiscal 2016, our capital expenditure has been over ₹453.54 million to set up our printing facility in Sahibabad. Our total printing capacity was enhanced from 15 tons of paper per day in Fiscal 2014 to 55 tons of paper per day in Fiscal 2016. Our printing facilities have a capacity to print up to 64.24 million pages per day.

By integrating and expanding our printing capabilities, we have reduced our dependence on third-party vendors, thereby achieving cost savings and operational efficiencies. Due to the seasonal nature of sales of our K-12 business we ensure that our printing capabilities are operating at high capacity during peak demand periods. By controlling our printing capabilities and keeping the majority of our printing in-house we are able to meet the demand of our peak season by reducing dependence on printers that may charge higher rates in light of the demand.

Our paper and other raw material purchases are integrated (save for purchases made by Chhaya), which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

Our print facilities and distribution networks are supported by our logistics network, which as on December 31, 2016, comprised 42 warehouses located in 19 states to allow coverage across India. Additionally, Chhaya has two warehouses located in West Bengal and one located in Tripura. Our supply chain (save for NSHPL) is supported by standard Enterprise Resource Planning ("**ERP**") software built on the latest SAP platform allowing us to manage our sales, procurement, printing, inventory and distribution on a real-time basis.

Pan-India sales and distribution network driving deep market reach

Our brands are national brands with a pan India distribution and sales network, which, as of December 31, 2016, consisted of 4,932 distributors and dealers (not including Chhaya). We have an in-house sales team of 838 professionals working from 52 branches and marketing offices from which we reach out to K-12 and higher education institutions.

Our sales and distribution network have provided us with a deep market reach. We sold our content in 29 states and 7 union territories through our distribution channels. Our acquisition of NSHPL enhanced our distribution network in southern India, and our acquisition of VPHPL added to our distribution network in north India. In addition, the Chhaya Acquisition expanded our presence in Eastern India to add 771 distributors and dealers as of December 31, 2016. We believe that our market reach along with our customer touch points give us a competitive advantage to grow our existing brands and build new brands.

We maintain separate sales teams focused on each brand. These brand-focused sales teams serve two distinct purposes: (a) working to achieve healthy growth for each brand and better overall sales and (b) catering to the end consumer preference of selecting from a wider product catalogue of authors and titles. An additional long term benefit from separate brand-focused sales teams is that each team is able to develop deep product expertise, which allows for better brand positioning and increased brand recall.

We are dedicated to the development of the expertise and know-how of our sales team and continue to invest in them and offer training modules to ensure they have the training and skills necessary to succeed in this market.

Focused digital and technology platform

Our digital offerings are focused on supplementing our existing strengths in the K-12 and higher education businesses. Our approach to provide hybrid solutions along with our print content has helped us create an expansive library of digital content, of which we offered an aggregate of 7,722 hours of e-content as of March 31, 2016. We are focused on using technology to drive innovation and new medium of distributing education content. In Fiscal 2016, our hybrid offering contributed 38.82% of our consolidated operating revenue from the K-12 segment and purely digital offerings contributed 5.55% of our consolidated operating revenue from the K-12 segment

We have a comprehensive suite of digital offerings for K-12 schools and students. Our multimedia solution *Destination Success* can be customized to provide software solutions for schools and bundle it with hardware offerings if required. Our offerings like *Intellitab* and *Mystudygear* provide a platform for uniform learning in the classroom and during after class hours, while *Ignitor* is focused on providing learning management systems to institutions to enhance teacher student productivity.

In the higher education business, our investee companies have an early mover advantage to capture the growth in the online test prep markets as more exams move online.

As of March 31, 2016, our cumulative investment (including loans and advances) in digital learning solutions (including services) from both in-house and minority investments was ₹919.84 million, and we plan to continue to invest in early stage education companies to grow our digital platform.

Experienced management and leadership team

Our Company is a result of years of dedication in Indian educational industry. Our Company was founded by

the late Mr. Shyam Lal Gupta in 1970. Mr. Shyam Lal Gupta was a driving force behind the establishment of federations and associations for the Indian educational industry.

Our Promoters are entrepreneurs, with significant industry experience, who have led our organic and inorganic growth. Our shareholders include IFC and Everstone.

Our management teams consist of professionals with many years of experience in a range of industries that include education, publishing, technology, media, finance and banking holding various leadership positions. Our second level of management comprises professionals with extensive industry knowledge and prior experience at other educational companies. For further details, see the section entitled "***Our Management***" on page 179.

As of December 31, 2016, our editorial team consisted of 225 employees, some of whom have over 20 years of experience in the publishing industry. Additionally, as of December 31, 2016, Chhaya had an editorial team of 79 employees.

We believe that the experienced leadership of our management and professional team has been a key driver of our growth and operating performance, as evidenced by the number of initiatives we have undertaken and successfully implemented.

Our Strategy

Our business strategy is set forth below. Our strategic objectives should be read in conjunction with, and with careful consideration of, the risks to our business set forth in the section entitled "***Risk Factors***" beginning on page 16.

Expand our leadership in the K-12 market

According to Nielsen, the Indian K-12 education market is one of the largest globally, with more than 259 million students. With the growing middle class and emphasis on education, we expect that the number of schools and students in India will continue to grow, as reported by Nielsen, which found that CBSE and ICSE schools are currently experiencing a growth rate of 21.7% CAGR and 20.5% CAGR, respectively.

As on March 31, 2016, our consolidated operating revenue represent ₹3,898.21 million of the ₹215,600 million K-12 content market. As highlighted by these figures, there appears to be a significant opportunity to further increase our market share in both volume and percentage. Accordingly, we look to expand our leadership in the K-12 market through the following strategies.

- *Increase our share of the content spend by CBSE/ICSE schools*

In Fiscal 2011, our three most important subjects were English grammar, maths and science. Recognizing the potential of expansion in the K-12 market, we acquired a range of brands to fill portfolio gaps with respect to individual subject strengths. By acquiring the *Madhubun* and *Vikas* brands in Fiscal 2013, we bolstered knowledge products in our K-12 business in Hindi language titles. In Fiscal 2015, we acquired the *Saraswati* brand for its K-12 content strength in French, languages and arts and crafts titles. In addition, we are open to further brand acquisitions when we find suitable strategic targets that will help us provide complementary content targeted at CBSE/ICSE affiliated schools. As a result of such acquisitions, we have an expansive product range and strong brands across multiple subject offerings, allowing us to cross-sell our content across schools and the educational life cycle.

In order to strengthen our content portfolio through organic growth, we continue to be focused on developing subject best sellers and introduce new titles to fill portfolio gaps. For example, we have created new content in English language training, and humanities and social sciences, which include atlases, general knowledge books amongst others. In addition, we continue to innovate our product offering with unique solutions. For example, we have recently introduced a monthly textbook that covers the entire lesson plan for each month for all subjects. We are implementing this strategy by augmenting our editorial and sales teams and by continuing to look at opportunities to add quality talent in these areas

- *Increase our presence in state board markets*

According to Nielsen, the state board content market size is ₹183,200 million and is the largest part of the Indian K-12 market. The state board content market is fragmented due to varying educational focus, syllabi and regulations in different states. This has resulted in the emergence of regional educational providers each with a strong focus on state boards in a particular geography. To increase our market share in the state board segment, our strategy is to acquire leading regional content houses in attractive markets. These regional acquisitions would enable us increase our market share, acquire distribution networks catering to state board affiliated schools, reach out to a larger number of schools and students, and also allows us to leverage our content capability to enhance the product offerings. The Chhaya Acquisition is our first transaction to achieve these desired objectives. This acquisition has helped us gain market share in Eastern Indian and allows us create new customised products that can be distributed through Chhaya's distribution network. We will continue to evaluate market leading providers in other regional markets that we consider attractive for investment or acquisition opportunities.

Expand our presence in the test preparation market of our higher education business

According to Nielsen, India has one of the largest higher education systems in the world. We intend to further our presence in the higher education business, particularly the test preparation market. We believe that this test preparation market will continue to expand as more government jobs become available that require examinations at the national and state levels.

We currently have a strong offering of subject based test preparation content that we intend to augment by providing our materials in regional languages. We also plan to create content for specific examinations for applicants for government (civil service) and public sector jobs.

Job applicants and students are increasingly showing a preference for taking online tests as a form of test preparation, and, therefore, we are looking to capture the test preparation market by offering online content and online assessment options. In addition, many examinations are now moving to online format. We intend to build our online solutions by investing in education technology companies to leverage their innovative technologies and pair them with our content and industry experience. As part of our strategy, we have invested in two companies which own the online test preparation brands, *Online Tyari* and *Testbook*.

Focus on being comprehensive education content provider for our customers through all media including digital

Our focus is to be a comprehensive education content provider for our customers through all media (including digital) as they evolve. Our strategy is to deliver our end-to-end content solutions through existing and innovative digital technology so that our customers consider us as the single source for education content. To achieve this strategy, we provide our customers with the necessary learning tools and training to effectively utilize the content solutions we develop. Through digital and interactive learning in the classroom and student/teacher devices (like tablets and smartphone) we engage directly with the end-user (teachers and students) throughout the year. We also connect directly with teachers and students through our training activities which give us valuable insights to enhance and further develop our content. This helps us, accordingly, to achieve our primary goal which is to strengthen our relationship with the schools for the complete academic year and to engage with our end-users and customers directly.

We believe that our distribution network and strong relationship with schools provides us with a competitive advantage because we have a deep market reach to schools (particularly in CBSE/ICSE affiliated schools) to offer our education content digital solutions.

To achieve our strategy, we have invested for growth both through organic build out and investments in early stage education companies and education related technology so that we can leverage both our strong content offering and sales and distribution network as these new technology driven offerings capture market share.

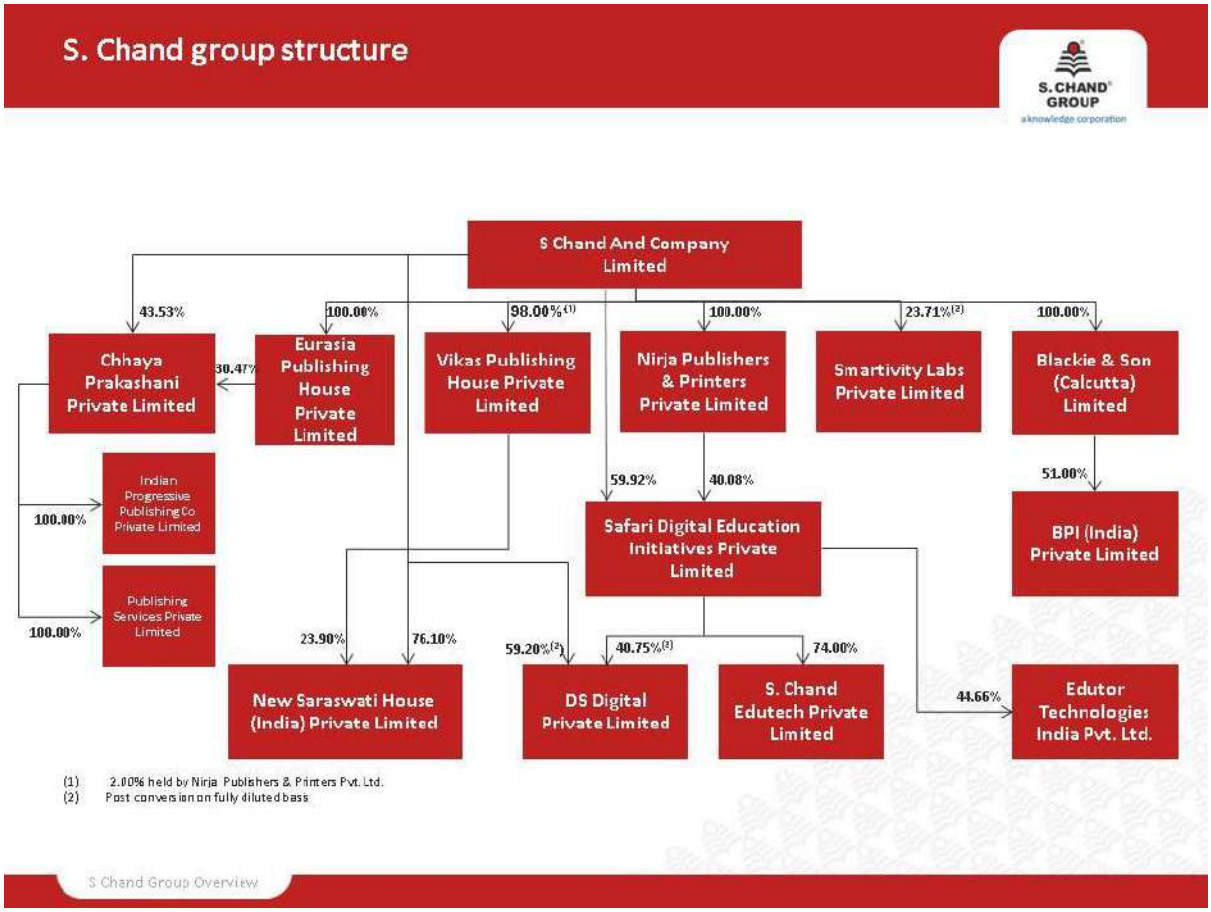
Enhance our existing engagement for K-12 business by providing additional services to students, educators and institutions

We are looking to deepen our engagement with students, educators and institutions by providing differentiated services like curriculum management. Currently, we have developed a comprehensive curriculum solution,

Mylestone that includes books, e-content, teacher training content and assessment tools for the K-8 business segment. These additional services help us cement our positioning as a knowledge partner for education institutions and focus on improving education outcomes. We believe that these initiatives would help enhance our brand recall among the education community.

S Chand Group Organization and History

Our business has grown organically and through strategic acquisitions and is conducted primarily through our Company and its wholly owned subsidiaries and majority and minority investments. Our current structure is depicted by the chart below.



For important milestones in the development of the S Chand Group, see the section entitled "***History and Certain Corporate Matters***" on page 157.

Segment Revenue

Our consolidated operating revenue (i) by business segment for the past five fiscal years and (ii) as a percentage of total consolidated operating revenue is set forth in the following table. The table also provides the CAGR of consolidated operating revenue by business segment over the past five fiscal years.

Segment Revenues as % of Consolidated Operating Revenue and CAGR

(₹ *in millions except %*)

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	CAGR
(a) Segment Consolidated Revenues						
K-12	**838.66**	**1,619.93**	**2,172.53**	**3,378.18**	**3,898.21**	**46.83%**
YoY growth (%)	-	*93.16%*	*34.11%*	*55.50%*	*15.39%*	
% of Consolidated Revenues from Operations	*48.47%*	*58.06%*	*58.72%*	*70.87%*	*72.49%*	

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	CAGR
Higher Education	**836.35**	**1,062.92**	**1,345.00**	**1,237.44**	**1,282.31**	**11.28%**
YoY growth (%)	-	*27.09%*	*26.54%*	*-8.00%*	*3.63%*	
% of Consolidated Revenues from Operations	*48.34%*	*38.10%*	*36.35%*	*25.96%*	*23.85%*	
-Test Preparation	**327.25**	**370.62**	**446.34**	**438.82**	**578.50**	**15.31%**
YoY growth (%)	-	*13.25%*	*20.43%*	*-1.68%*	*31.83%*	
% of Consolidated Revenues from Operations	*18.91%*	*13.28%*	*12.06%*	*9.21%*	*10.76%*	
-College & University / Technical & Professional	**509.10**	**692.30**	**898.66**	**798.62**	**703.81**	**8.43%**
YoY growth (%)	-	35.99%	29.81%	-11.13%	-11.87%	
% of Consolidated Revenues from Operations	*29.42%*	*24.81%*	*24.29%*	*16.75%*	*13.09%*	
Early Learning	**1.28**	**100.24**	**172.78**	**135.61**	**172.69**	**240.81%**
YoY growth (%)	-	*7,731.25%*	*72.37%*	*-21.51%*	*27.34%*	
% of Consolidated Revenues from Operations	*0.07%*	*3.59%*	*4.67%*	*2.85%*	*3.21%*	
Miscellaneous income	**54.00**	**6.99**	**9.79**	**15.34**	**24.33**	**-18.07%**
YoY growth (%)	-	*-87.06%*	*40.06%*	*56.69%*	*58.60%*	
% of Consolidated Revenues from Operations	*3.12%*	*0.25%*	*0.26%*	*0.32%*	*0.45%*	
Consolidated revenues from operations	**1,730.29**	**2,790.08**	**3,700.10**	**4,766.57**	**5,377.54**	**32.77%**
YoY growth (%)	-	*61.25%*	*32.62%*	*28.82%*	*12.82%*	
(b) EBITDA	**271.07**	**598.60**	**797.79**	**1,040.43**	**1,282.16**	**47.47%**
YoY growth (%)	-	*120.83%*	*33.28%*	*30.41%*	*23.23%*	
(c) Consolidated restated profit after tax and bef minority interest	**146.91**	**319.99**	**425.71**	**327.61**	**466.42**	**33.48%**
YoY growth (%)	-	*117.81%*	*33.04%*	*-23.04%*	*42.37%*	

In respect of CAGR figures provided elsewhere in this section, please also consider the yearly changes set forth in this table.

Our Products and Services

We deliver content, solutions and services across the education lifecycle through our K-12, higher education and early learning segments. As of December 31, 2016, we offered 55 consumer brands across knowledge products and services including *S. Chand*, *Vikas*, *Madhubun*, *Saraswati*, *Destination Success* and *Ignitor*. Further, after the Chhaya Acquisition, we now offer four Chhaya brands including *Chhaya* and *IPP*.

The following table sets forth our principal brands and the business segments in which they are present:

Brand	**K-12**	**Higher Education: *Test Preparation***	**Higher Education: *College and University/ Technical and Professional***
S Chand	✓	✓	✓
Vikas			✓
Madhubun	✓		
Saraswati	✓		
Blackie	✓		
Chhaya	✓		
IPP	✓		
Brands specializing in e-content and services			
mystudygear	✓		
flipclass*	✓		
Destination Success	✓		
Ignitor*	✓	✓	✓
Testbook*		✓	
OnlineTyari*		✓	

** Revenues are not consolidated for these companies.*

Our K-12 Business

We are the leading Indian K-12 education content company according to Nielsen. Within the K-12 education content market, CBSE and ICSE affiliated schools are the largest portion of our business, and we are also working to build our position in unaffiliated and state board affiliated schools.

Our K-12 content portfolio is offered to students from ages four through eighteen years and includes numerous instructional resources across hundreds of programs, covering nearly all subjects offered in the K-12 segment. Through our pan-India sales teams, we market our brands and content to schools, educators and students for placement on prescribed and recommended reading lists. We sell the requested K-12 content to our distributors for re-sale to K-12 institutions and students. Our relationships with schools allows us to work closely with schools and teachers to map our content to their curriculum and provide these schools with engaging learning methods and teacher support material.

To complement and diversify our home-grown product portfolio and our *S Chand* brand, we acquired the *Madhubun* and *Vikas* brands in Fiscal 2013 pursuant to the acquisition of VPHPL to bolster our offering in Hindi language titles and, in Fiscal 2015, we acquired NSHPL and the *Saraswati* brand for its strength in languages and arts and crafts titles. In December 2016 through the Chhaya Acquisition, we expanded our presence in Eastern India as well as state board schools in West Bengal.

In Fiscal 2016, we sold a total of 5,253 titles in the K-12 business segment. Additionally, Chhaya sold 9.88 million copies of 433 titles in Fiscal 2016. Our top ten best-selling titles accounted for sales in Fiscal 2016 of 2.96 million copies and 15 of our authors have each sold over one million copies of their titles during the last five fiscal years. K-12 is our largest business segment. In Fiscal 2016, Fiscal 2015 and Fiscal 2014, our consolidated operating revenue from our K-12 business were ₹3,898.21 million, ₹3,378.18 million and ₹ 2,172.53 million, respectively, representing 72.49%, 70.87% and 58.72% of our total consolidated operating revenues, respectively. From Fiscal 2012 to Fiscal 2016, our K-12 consolidated operating revenue grew at a CAGR of 46.83%, which includes organic growth of 20.46%.

Print Content

Our print content portfolio includes a library of titles that covers the full spectrum of subjects, written by some of the top authors and experts in their respective fields. Our prestigious brands include some of the best-selling and popular print content in the K-12 market, such as *S Chand, Vikas, Madhubun, Saraswati, Chhaya* and *IPP*.

Our significant brands and products in K-12 print content are set forth below.

S Chand. Our *S Chand* a leading brand in the K-12 market. In Fiscal 2016, we sold 1,216 titles under our *S Chand* brand (including imprints of the Company) covering a variety of subjects, varying from English grammar, to science to mathematics. In Fiscal 2016, we sold 8.58 million *S Chand* branded books (including imprints of the Company).

Saraswati. In Fiscal 2016, we sold 2,846 titles under our *Saraswati* brand (including imprints of the subsidiary NSHPL) covering subjects in Hindi, French, regional languages and arts and crafts. In Fiscal 2016, we sold 12.16 million *Saraswati* branded books.

Madhubun. Our *Madhubun* brand (including imprints of the subsidiary VPHPL) is a strong brand in the K-12 Hindi segment. In Fiscal 2016, we sold 1,191 titles under the *Madhubun* brand mainly being titles in Hindi subject and also in social science, environmental sciences and English grammar. In Fiscal 2016, we sold 6.03 million *Madhubun* branded books.

Chhaya and IPP brands. Chhaya sold 9.88 million copies of 433 titles in Fiscal 2016. The *Chhaya* and *IPP* brands cover various subjects including Bengali, Chemistry, English, Physics, History, Mathematics & Geography.

Print content represents the largest portion of our consolidated operating revenue in the K-12 segment. In Fiscal 2016, consolidated operating revenue from our print content contributed 55.63% (₹2,168.67 million) of our consolidated operating revenue from the K-12 segment. In Fiscal 2016, consolidated operating revenue from our

hybrid offering contributed 38.82% (₹1,513.13 million) of our consolidated operating revenue from the K-12 segment.

New Media Learning Solutions

We aim to use technology to innovate learning and content delivery and thereby build and deepen our relationships with students across the education lifecycle. Over the last three years, we have coupled our print content with digital and interactive methods of learning, thereby providing with flexibility in the delivery of content to students. Hybrid print and digital products complement our existing print content with online applications and interactive learning. Our aim is to lead the transition to digital in the knowledge industry. To achieve our aim, we have strategically invested for growth both through organic build out and through investment in early stage education companies

Our content is available on various forms of media, through innovative digital classroom solutions, learning management systems and handheld devices. We offered an aggregate of 7,722 hours of e-content as of March 31, 2016 for delivery through our digital platforms. In Fiscal 2016, consolidated operating revenue from our digital learning solutions contributed 5.55% (₹216.42 million) of our consolidated operating revenue from our K-12 segment.

Our digital platforms and services that we developed in-house are set forth below.

Destination Success. *Destination Success* is a classroom solution offering graphic rich multimedia content and assessment solutions in 748 schools in India and 10 schools in the Middle East as of December 31, 2016. *Destination Success* competes in the classroom multimedia market which is a well penetrated and stabilised market. We plan to differentiate ourselves as compared to competition by creating compelling content, leveraging our content capability, packaging our multimedia solutions along with our print content and providing both software and hardware solution based on customised requirements for K-12 institutions.

Intellitab. *Intellitab* is an interactive learning platform provided on handheld devices including practice material and tests that enables teachers to carry out assessments easily and quickly, and provides analytics regarding students' performance. *Intellitab*'s content caters mainly to CBSE and ICSE affiliated schools and students.

Mystudygear. *Mystudygear* is a mobile application that provides interactive videos covering courses such as physics, chemistry and biology. These videos are accessed to by students by scanning the QR codes given in the print content. Through *Mystudygear*, users can also learn using assessments, e-books and solved questions of previous year board examinations. As of December 31, 2016, there had been 169,261 downloads of the *Mystudygear* application.

To expand our digital offerings, we have invested in in early stage education companies. These investments seek to pair our experience, content, distribution reach and brand equity with innovative technology driven solutions. Set forth below are details of these investments in the K-12 market:

Ignitor. *Ignitor* is a mobile learning platform helping educational institutes deliver courses on mobile devices and tablets. We intend to expand Ignitor's distribution footprint by leveraging the strength of our K-12 relationships. As of December 31, 2016, *Ignitor* was used by approximately 70,000 users, and Edutor Technologies India Private Limited has a relationship with 40 content providers.

Flipclass. *Flipclas*s offers a technology platform connecting students to tutors which provides an adaptive assessment platform to assist tutors in enhancing students' learning experience. The marketplace model for *Flipclass* provides us access to tutors and learners on a single platform. In the medium to long term, we plan to expand the reach of this platform to promote our products and use it as an additional distribution medium.

Hybrid Materials

Over the last three years, we have coupled our print content with digital and interactive methods of learning, thereby providing with flexibility in the delivery of content to students. Hybrid print and digital products complement our existing print content with online applications and interactive learning.

The number of hybrid print and digital titles sold in the K-12 segment was 8.16 million in Fiscal 2016, 7.24 million in Fiscal 2015 and 3.41 million in Fiscal 2014. In Fiscal 2016, consolidated operating revenue from our hybrid offering contributed 38.82% (₹1,513.13 million) of our consolidated operating revenue from the K-12 segment.

Educational Services

In addition to the numerous print and digital products we offer, we are looking to develop educational services programmes, such as curriculum management to deepen our engagement with students, educators and institutions. Currently, we have developed a comprehensive curriculum solution, *Mylestone* that includes books, e-content, teacher training content and assessment tools for the K-8 classes. We are currently in the pilot phase of *Mylestone*, and have as on December 31, 2016, implemented this solution in 37 schools in India. These additional services help us cement our positioning as a knowledge partner for the education industry and focus on improving education outcome for students and schools.

Our Higher Education Business

Our higher education segment is our second largest segment by consolidated revenue and comprises two components: test preparation and college and university/technical and professional. In Fiscal 2016, Fiscal 2015 and Fiscal 2014, our consolidated operating revenue from our higher education segment were ₹1,282.31 million, ₹1,237.44 million and ₹1,345.00 million respectively, representing 23.85%, 25.96% and 36.35% of our consolidated operating revenues respectively. From Fiscal 2012 to Fiscal 2016, our higher education consolidated operating revenue grew at a CAGR of 11.28%.

We experience lower seasonality in the higher education segment than in the K-12 segment, and sell our content directly to the end consumer through a combination of distributors, retailers and online sales platforms.

Test Preparation

We are a provider of print content and digital products required by students, instructors and institutions for test preparation in competitive exams, including entrance examinations and examinations required for government positions. The test preparation market is dominated by classroom coaching, however, online coaching is becoming more popular. With better access to the internet, students are getting accustomed to accessing test preparation content digitally. It is estimated that over 26 million students take exams each year in order to gain admission in to professional and post graduate courses and for public sector jobs.

Our products include print content and digital product portfolios. In Fiscal 2016, our most popular test preparation subjects were quantitative aptitude, modern approach of verbal and non-verbal reasoning and mathematics. Our print and digital products are sold and distributed throughout India to the end consumer through our distribution network.

In Fiscal 2016, we sold 1.98 million copies of 109 titles in test preparation.

In Fiscal 2016, Fiscal 2015 and Fiscal 2014, our consolidated operating revenue from test preparation were ₹578.50 million, ₹438.82 million and ₹446.34 million, respectively, representing 10.76%, 9.21% and 12.06% of our total consolidated operating revenue, respectively. From Fiscal 2012 to Fiscal 2016, our test preparation consolidated operating revenue grew at a CAGR of 15.31%.

We publish niche test preparation titles in print for popular professional and entrance examinations in India, including competitive and reference books for government and public sector entrance examinations. Our products cover reference books for the entrance examinations, including Graduate Aptitude Test In Engineering, Management Aptitude Test (for entrance in management colleges), AIEEE, AMU, Union Public Service Commission, Bachelors of Business Administration, Masters of Business Administration, and Banking. Our key brand for test preparation titles in print content is *S Chand*.

As an increasing number of exams are moving online, the test preparation market has an enhanced demand for online content and assessment solutions. We have started offering both online test preparation and assessment. Our test preparation technology brands in which we have investments are set forth below.

- ***Testbook***: *Testbook* has developed a web and mobile platform that provides online preparation for competitive exams, such as GATE and government jobs. As of December 31, 2016, *Testbook* had 1,061, 052 users (including registered users, paid users and monthly users).

- ***Online Tyari***: *Online Tyari* is mobile based test preparation platform, which offers derivative content of partner publishers, teachers and educational organizations. *Online Tyari* provides students with content to prepare for competitive exams, such as GATE and government jobs, including IAS, NDA and defence related jobs. The platform enables students to buy and read content in a variety of languages which downloads on to the user's device immediately after the user has paid for it.

As part of our strategy, we are looking to expand our offerings in online test preparation and assessment as well as in online courses and materials to assist students preparing for competitive examinations.

College and University/ Technical and Professional

We provide students, instructors and institutions with customized content for college and university students pursuing degrees, such as arts, commerce and science, as well as books that can be used for distance learning.

We also offer medical, technical and engineering content for the professional, education and test preparation markets.

In Fiscal 2016, we sold 2.86 million copies of our 2,920 titles in our college and university/technical and professional business. In Fiscal 2016, Fiscal 2015 and Fiscal 2014, our consolidated operating revenue from college and university/technical and professional were ₹703.81 million, ₹798.62 million and ₹898.66 million, respectively, representing 13.09%, 16.75% and 24.29% of our consolidated operating revenues, respectively. From Fiscal 2012 to Fiscal 2016, our test preparation consolidated operating revenue grew at a CAGR of 8.43%.

We offer print content in this segment, including a library of titles covering a wide spectrum of subjects, written by some of the top authors and experts in their respective fields. Our editorial development process involves a creative interaction between authors and editors, which helps create high-quality manuscripts.

We offer content from graduation level to post graduation in subjects such as accounting, English, business studies, economics, physics, chemistry, mathematics, botany, zoology and medicine. We also offer medical, technical and engineering content for students enrolled in these courses. Our sales teams work directly with higher education institutions, from which we receive content development requests. We develop the requested content and sell directly to institutions with which we partner.

For students enrolled in technical and professional programs, we provide technical and professional books, including those specific to Bachelors of Engineering, Bachelors of Technology, Bachelors of Architecture, and other engineering courses such as applied sciences and computer sciences. Our print content is based on the recent question papers and examination patterns and provide readers with multiple choice questions to confirm their knowledge and understanding of the provided content.

Our key brands in our college and university/technical and professional business segment are set forth below.

S Chand. Our *S Chand* brand has a strong presence in biology, chemistry, commerce, management, physics and engineering.

Vikas. Our *Vikas* brand has as strong presence in academic and reference books that cover engineering, management, computer science, sociology education and humanities, with an emphasis on content specific to management and commerce. Our *Vikas* brand also provides customised print content for students enrolled in distance learning (higher education) courses.

Our Early Learning Business

Our early learning business caters to our youngest customer market (0-4 years of age) and exposes them to our brands, products and services at the beginning of their student career. We have early learning brands targeted to specific product and service categories.

Our brands in our early learning business segment are set forth below.

- ***BPI***. *BPI* sells children's books, educative board games, activity packs, puzzles and stationery.
- ***Smartivity***. *Smartivity* offers activity based 'experimental' learning, including 'do-it-yourself' kits and augmented reality enabled products.
- ***RiseKids***. *RiseKids* operates seven pre-school centers in the National Capital Region.

We sell content in our early learning directly to the end consumers through a combination of retailers and online sales platforms. In Fiscal 2016, Fiscal 2015 and Fiscal 2014, our consolidated operating revenue from early learning were ₹172.69 million, ₹135.61 million and ₹172.78 million, respectively, representing 3.21%, 2.85% and 4.67% of our consolidated operating revenues, respectively.

Management of our Authors

We have a contractual relationship with at least 1,958 authors (including co-authors) for over five years as on March 31, 2016. Additionally, Chhaya has contractual relationships with at least 24 authors (including co-authors) for over five years as on March 31, 2016. We believe that we retain and attract the best authors on account of our track record of progressing authors' careers. We also believe that our strong editorial team helps us retain our important authors. Our editors support our authors by assisting them to update their content and to develop new content in conjunction with faculty members and experts in the various subjects. In addition, relationships with our authors are maintained by continuous interaction and feedback and invitations to workshops.

For subject areas that we have identified as containing content gaps, we approach both existing and new authors to write content. We meet new authors through various platforms, including our sales teams, joint forums (such as school workshops, trainings, and conferences), workshops, author references and editorial references. New authors provide us with a manuscript, whereas existing authors are approached to write content for particular classes or subjects. Author selection for books in the K-12 market is generally an editorial decision. We also receive input from our sales and marketing teams.

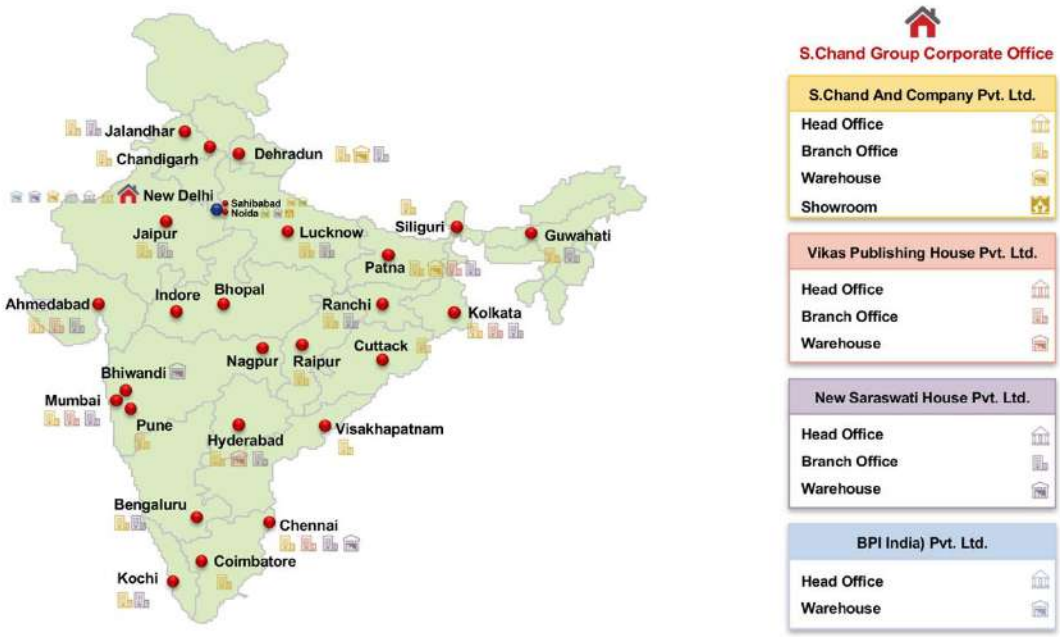
The prospective author is generally asked to submit a book proposal and sample chapters, which is assessed by the editorial manager or managing editor. This assessment is based on syllabus requirements, market feedback and comparison with competing titles. After initial research and in-house analysis is conducted, the proposal/manuscript may also be sent to third parties for anonymous reviews. Based on the outcome of our review, the author may be asked to revise the proposal or manuscript as necessary. If, however, the reviews are negative, or the manuscript does not meet the requirements of our publishing program, the content may not be accepted for publication. If the proposal or manuscript is accepted for publishing, the broad outline of the project and terms of the contract are negotiated with the author prior to execution of a publishing contract.

Our authors are compensated through royalties linked to content sales and editorial support. Generally, as a policy, we do not guarantee a minimum royalty, except in exceptional circumstances.

Sales and Distribution

As of December 31, 2016, our distribution and sales network (not including Chhaya) consisted of 4,932 distributors and dealers, and we had an in-house sales team of 838 professionals working from 52 branches and marketing offices across India. We sold our content in 29 states and 7 union territories through our distribution channel. Our Chhaya Acquisition has expanded our presence in Eastern India to include an additional 771 distributors and dealers as of December 31, 2016.

The map below illustrates the pan-India presence of our distribution and sales network, as at December 31, 2016.



*Map not to scale

We consider our schools, teachers and student customers to be our "touch points", and our sales teams are responsible for forging relationships with our customers across our K-12, higher education and early learning businesses. In our K-12 business, we market our content to educators and schools to place our products on prescribed and recommended reading lists. In higher education and early learning, we market our products directly to distributors, retailers and consumers. To increase sales and further expedite the payment cycle, we generally provide our distributors certain incentives, such as volume discounts and cash discounts on early payment. In our higher education business, we market and sell our products directly to distributors, retailers and consumers.

We maintain separate sales teams focused on each brand. These brand-focused sales teams serve two distinct purposes: (a) working to achieve healthy growth for each brand and better overall sales and (b) catering to the end consumer preference of selecting from a wider product catalogue of authors and titles. An additional long term benefit from separate brand-focused sales teams is that each team is able to develop deep product expertise, which allows for better brand positioning and increased brand recall.

Raw Materials and Printing

We have developed a robust supply chain ensuring optimization of our back-end operations and processes. This has been achieved by rationalizing and integrating our procurement, manufacturing and logistic capabilities.

We have fully integrated our printing needs and capabilities, such that in Fiscal 2016, over 85% of our printing requirements were met by our printing facilities located in Sahibabad and Rudrapur. Our printing facilities' have 18 printing presses and handled 85.56% our printing requirements in Fiscal 2016, thereby minimizing our dependence on third-party vendors. Our newly acquired Chhaya business outsources its printing and binding requirements.

During Fiscal 2015 and Fiscal 2016, our capital expenditure has been over ₹453.54 million to set up our printing facility in Sahibabad. Our total printing capacity was enhanced from 15 tons of paper per day in Fiscal 2014 to 55 tons of paper per day in Fiscal 2016. Our printing facilities have a capacity to print of up to 64.24 million pages per day.

By integrating and expanding our printing capabilities, we have reduced our dependence on third-party vendors, thereby achieving cost savings and operational efficiencies. Due to the seasonal nature of sales of our K-12 business we ensure that our printing capabilities are operating at high capacity during peak demand periods. By controlling our printing capabilities and keeping the majority of our printing in-house we are able to meet the demand of our peak season by reducing dependence on printers that may charge higher rates in light of the

demand.

We enter into fixed price contracts to purchase paper from paper mills, which contain target volume commitments and often have tenure of approximately twelve months. Our paper and other raw material purchases are integrated (save for purchases made by Chhaya), which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers. Our newly acquired Chhaya business purchases paper procured from various paper mills both directly and through agents.

Our print facilities and distribution networks are supported by our logistics network, which as of December 31, 2016, comprised 42 warehouses located in 19 states to allow coverage across India. Additionally, as of December 31, 2016, Chhaya has two warehouses located in West Bengal and one located in Tripura. Our supply points generally are near major customer bases and finished goods supplier bases, which helps bridge transportation time and reduces costs. Once an order is received, the ordered goods are dispatched directly to our distributors or customers through pre-designated carriers pursuant to commercial terms and conditions. We contract with a panel of transportation companies and carriers with pre-negotiated rates which helps us in achieving better rates for frequented routes and standardization of services.

Information Technology

Our sales, publishing and logistics are supported by our integrated information technology infrastructure. Our supply chain (save for NSHPL and Chhaya) is supported by standard ERP software built on the latest SAP platform allowing us to manage our sales, procurement, printing, inventory and distribution on a real-time basis. This system helps us maintain quick, well-informed decision making and serves as a robust analysis tool with back-end customized reports. Through customer relationship management software ("**CRM**"), we manage customer data and customer interaction. We believe that our information technology network allows us to achieve innovative sales processes in the industry, from account planning to CRM tracking.

International Presence

In Fiscal 2016, we exported our printed content to 19 countries and our digital content to 5 countries including countries in the Middle East, Africa and Asia.

Competition

According to Nielsen, we are the leading Indian education content company in terms of revenue from operations in Fiscal 2016. Our product portfolio and customer base spans the entire educational spectrum, and as a result we compete with a variety of companies in different product offerings. Competition in each of our business segments, as well as in the education sector is generally fragmented. According to Nielsen, our larger competitors include Ratan Sagar Pvt. Limited, Orient Blackswan Pvt Limited, Macmillan Publishers India Pvt Limited, Pearson India Education Services Pvt Limited, HarperCollins Publishers India Limited, Cambridge University Press India Private Limited and Holy Faith International Private Limited. The focus on technology and digital products in education may result in the emergence of additional competitors over time. We believe that we primarily compete on the quality of our content and effectiveness of our digital solutions, product implementation support, brand and reputation, author reputation, customers' history using our products and, to a lesser extent, price.

Employees

Our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. To facilitate our growth, we have hired additional employees across all sectors of our business. As of December 31, 2016, we had 2,135 employees including a sales and marketing team of 838 employees and an editorial team of 225 employees. Chhaya had 309 employees on December 31, 2016, including a sales team of 88 employees.

We hired (net of departing employees) an additional 171, 162 and 169 employees in Fiscal 2014, Fiscal 2015 and Fiscal 2016, respectively.

We devote significant resources to training our employees. We offer continuous learning programs for our employees to meet the ever-growing demands of the education industry. We believe that our human resources

and compensation practices proactively address the factors that impact retention and that our rewards, recognition programs and opportunities help to ensure that our employees are motivated and performance oriented. For example, pursuant to our Employee Stock Option Scheme, certain of our employees are eligible for options convertible into equity shares of our Company, which vest based on continued employment with us and/or the individual's job performance. Additionally, we also offer an incentive program to our sales employees, pursuant to which sales executives and managers receive additional financial remuneration if they achieve a defined percentage of their annual sales targets and budget.

Property

Our Company's registered office is located at Ravindra Mansion, Ramnagar, New Delhi 110 055, India and our corporate office is located at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi, both of which have been taken on lease by our Company.

NSHPL's corporate office is located at Municipal No. 4634/1, 2nd Floor, 19, Ansari Road, Daryaganj, New Delhi 110 002, India, which has been taken on lease by NSHPL for a maximum period of nine years, beginning from March 21, 2015. VPHPL's registered office is located at 7361, Ravindra Mansion, Ram Nagar, New Delhi 110 055, India, which has been taken on lease by VPHPL and its corporate office is located at Industrial Plot No. 28, E block, Sector 8, Noida, India, which is owned by VPHPL. Chhaya Prakashani Private Limited's corporate office is located at CG 84, Sector II, Salt Lake City, Kolkata 700 091, India, which has been taken on lease by Chhaya Prakashani Private Limited. DSDPL's corporate office is located at B-37, Sector 2, Noida, India, which have been taken on lease by DSDPL.

Our printing presses are located at 20/4, Industrial Area, Sahibabad, which has been taken on lease by VPHPL, beginning from November 25, 1982 and Khasra No. 54/3/2, Village Rampura, Jindal Paddy Products Compound, Khasipur Road, Rudrapur, which has been taken on lease by Nirja Publishers. Additionally, we have branch offices, marketing offices and warehouses in various locations which have been taken on leasehold basis.

Health, Safety and Environmental Matters

We have established extensive requirements relating to workplace safety for our workplaces. To ensure that we adhere to all statutory laws and regulations on the environment, health and safety, we have implemented an environmental, health and safety program and guidelines. Under this program, we have created a health and safety committee, which comprises both management and non-management employees, which meets quarterly to discuss problems related to the environment, health and safety. We have also implemented a system to conduct paid medical examinations of all employees, including our contract employees. In addition to the foregoing, we have implemented additional programs including those related to electrical safety, the handling of equipment and materials, the handling of hazardous chemicals, fire safety, monitoring of the work environment (including air quality, ambient noise and the quality of drinking water), first aid, hazardous waste disposal and housekeeping. We have also implemented a system of accident reporting and investigation, pursuant to which all accidents, both fatal and non fatal are reportable to health and safety authorities. Our employees are also encouraged to report on "near miss" accidents.

To ensure that we reduce our energy consumption, we have implemented an energy efficiency program. Under this program, we have implemented programs including programs related to our lighting systems, electrical systems, power quality and consistency, HVAC, water consumption and training programs for all employees to encourage greater awareness of the energy efficiency program and the importance of periodical monitoring of the Company's energy consumption habits.

For further details, see the section entitled "***Key Industrial Regulations and Policies in India***" on page 153.

Intellectual Property

Our products contain intellectual property delivered through a variety of media, including digital, web-based media and print. We rely on a combination of copyrights, trademarks, patents, trade secrets and nondisclosure agreements to protect our intellectual property and proprietary rights.

We have applied with the RoT for renewal of the registration of our logo appearing on the cover page of this

Red Herring Prospectus. Our trademark "S. Chand" bearing registration number 702331 was registered with the RoT until March 20, 2013, and we have made an application for renewal of this trademark. Additionally, we have made applications for registration of certain trademarks in the name of our Company, S Chand Edutech, EPHPL, Blackie, DSDPL, BPI, NSHPL, Safari Digital, and VPHPL which are pending.

For risks related to our intellectual property, see "***Risk Factors***" on page 27.

Insurance

We maintain liability insurance for legal claims such as key man insurance coverage/life insurance in respect of two of our Promoters, a directors and officers' liability insurance policy for claims made against our directors and officers, a public liability policy, covering bodily injury, property damage, personal and advertising injury and medical expenses arising out of the ownership, maintenance or use of certain of our premises, a media liability policy covering the Company's exposure in print and digital content products and services and professional indemnity insurance.

Corporate Social Responsibility

We aim to nurture people at all levels by facilitating their growth and needs and thoroughly believe that people are the greatest strength to any organization.

Our CSR policy recognizes that it is our responsibility to enhance value creation in society and in the community in which we operate, through our services, conduct and initiatives, to promote sustained growth for society and the community. Our CSR policy has been prepared pursuant to Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014. For details regarding the composition of our CSR Committee and its responsibilities, refer to the section entitled "***Our Management***" on page 190.

Our recent CSR initiatives have focused on the promotion of education, including special education and employment and the enhancement of vocational skills, particularly among children, women, the elderly and the differently abled. Through our initiatives, we have encouraged livelihood enhancement projects as well as programs related to the eradication of hunger, poverty and malnutrition. We have been involved in the promotion of preventive health care and sanitation and have contributed to the implementation of Swach Bharat Kosh by the Indian government for the promotion of sanitation and the availability of safe drinking water.

Through Global Knowledge Society we hold workshops on education across India, which have attracted the attendance of a number of academics and state governments.

We have also instituted our S. Chand Educational Awards for meritorious services and achievements in the field of education.

KEY INDUSTRIAL REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies as prescribed by the GoI which are applicable to our Company and its business. The information detailed in this chapter has been obtained from the websites of the relevant regulators and publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. Taxation statutes such as the Income Tax Act, 1961, Central Sales Tax Act, 1956 and applicable local sales tax statutes and applicable shops and establishments' statutes apply to us as they do to any other Indian company. For details of government approvals obtained by our Company in compliance with these regulations, see "***Government and Other Approvals***" on page 479. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

The Delivery of Books & Newspapers (Public Libraries) Act, 1954

The Delivery of Books & Newspapers (Public Libraries) Act, 1954 ("**Public Libraries Act**") has been enacted to develop public libraries in India to encourage scholarship and dissemination of knowledge. The Public Libraries Act requires the publisher of every book published in the territories to which the Public Libraries Act extends to deliver at his own expense a copy of the book to the National Library at Kolkata and one such copy to each of the other three public libraries within thirty days from the date of its publication.

National Policy on Education

The National Policy on Education (the "**NPE**") was adopted by the Indian Parliament in 1986 (in place of the earlier policy adopted in 1968), with amendments adopted in 1992. The NPE envisages a common education system comprising eight years of elementary education (five years of primary education and three years of upper primary), followed by two years of high school, two years of higher secondary school, and three years of university education, and contemplates that investment in education should exceed 6% of the national income during and from the Eighth Five Year Plan period.

The NPE, together with the National Literacy Mission, identifies, among other things, focal areas such as adult education (including post literacy, continuing education and vocational and skill training programs), open and distance learning, and technical and management education. The NPE contemplates an ongoing review of its implementation on a five-yearly basis.

Circulars issued by the CBSE

The CBSE has issued circulars, dated April 12, 2016 and July 20, 2015 (together the "**CBSE Circulars**"), in relation to the use of textbooks by various schools affiliated to CBSE, other than NCERT books and excessive use of books published by private publishers and recommended that schools affiliated to CBSE ought to use only NCERT print content for all classes, since all the schools affiliated with the CBSE follow the syllabi prescribed by the NCERT up to K-8 and syllabi prescribed by the CBSE from 9^{th} grade to 12^{th} grade. The CBSE Circulars further recommend that schools affiliated to the CBSE should avoid requiring students to purchase additional print content from private content providers. The CBSE issued a circular dated February 14, 2017 wherein the CBSE stated the arrangements made for supply of NCERT books to the CBSE affiliated schools for academic session 2017-18 on a dynamic basis.

Laws relating to the environment

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Environment (Protection) Act, 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974, the Hazardous Wastes (Management, Handling and Transboundary Movement)) Rules, 2016 and the Forest (Conservation) Act, 1980, and the rules notified thereunder.

The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, pollution control boards ("**PCBs**"), which are vested with diverse powers to deal with water and air

pollution, have been set up in each state. The PCBs are responsible for setting standards for maintenance of clean air and water and directing the installation of pollution control devices in industries to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if they are aware of or suspect pollution.

All industries and factories are required to obtain consent orders from the PCBs under the provisions of the above-mentioned statutes, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms laid down. These are required to be renewed periodically.

Additionally, industrial establishments and units are also subject to various regional laws and rules governing fire safety and maintenance of adequate fire-fighting equipment within their premises.

Laws relating to employment

The Factories Act, 1948 ("**Factories Act**") defines a 'factory' to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least twenty workers even though there is or no electrically aided manufacturing process being carried on.

Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory, *i.e.*, the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished with imprisonment for a term up to two years or with a fine up to ₹ 100,000 or with both in case of contravention of any provisions of the Factories Act or rules framed there under and in case of a contravention continuing after conviction, with a fine of up to ₹ 1,000 per day of contravention.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Minimum Wages Act, 1948;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Maternity Benefit Act, 1961;
- Industrial Disputes Act, 1947;
- Employees' Compensation Act, 1923; and
- Legal Metrology Act, 2009.

In addition, there are certain state specific labour laws which also need to be complied with by Indian companies.

Laws relating to intellectual property

The Trade Marks Act, 1999

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the GoI to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

The Copyright Act, 1957

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, copyright protection of a work lasts for a period of sixty years following the demise of the author.

Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

Press and Registration of Books Act, 1867

The Press and Registration of Books Act, 1867 provides for, among other things, the regulation of printing presses, preservation of copies of books (including any volume, part and division of any volume or pamphlet, in any language) published in India, and registration of such books with the officer appointed by the relevant State Government, for publication of prescribed details (including the title, language, subject, name of printer and publisher, date of issue or publication, name and address of copyright holder, *etc.*) in the Catalogue of Books.

Regulations regarding foreign investment

Foreign investment in Indian securities is governed by the provisions of FEMA read with the applicable FEMA Regulations. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy pronouncements on FDI through Press Notes and Press Releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases and clarifications among other amendments. The DIPP issued consolidated FDI policy circular of 2016, dated June 7, 2016 (the "**FDI Policy**") which consolidates the policy framework on FDI issued by DIPP, which were in force as on June 6, 2016 and reflects the FDI Policy as on and with effect from June 7, 2016. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

Capital instruments are required be issued within 180 days from the date of receipt of the inward remittance received from a non-resident investor. In the event that, the capital instruments are not issued within 180 days from the date of receipt of the inward remittance, the amount of consideration so received has to be refunded immediately to the non-resident investor by outward remittance. Non-compliance with the above provision would be considered as a contravention under FEMA and would attract penal provisions.

Foreign investment in companies in the publishing industry is governed by the provisions of FEMA read with the applicable regulations.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases

where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The FDI Policy does not prescribe any cap on the foreign investments in the sector in which our Company operates. Therefore, foreign investment up to 100% is permitted in our Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of Equity Shares under the Offer. Our Company will be required to make certain filings with the RBI after the completion of the Offer.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2016. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Shops and commercial establishments' legislations

A number of states including Delhi, West Bengal, Punjab & Haryana, Karnataka and Bihar have passed laws for regulating shops and commercial establishments. Shops and commercial establishments' legislations are enacted in various states to amend and consolidate laws relating to the regulation of working hours, payment of wages, leave, holidays, terms of service and other conditions of work of persons employed in shops, commercial establishments, establishments for public entertainment or amusement and other establishments. Shops and commercial establishments' legislations stipulate that no establishment can conduct such business without obtaining a registration from the appropriate authority. Shops and commercial establishments governed under these legislations have to exhibit a notice setting forth the days of week for which they are closed and the number of working hours in a week.

Contraventions to provisions of shops and commercial establishments' legislations may entail punishment such as imprisonment along with monetary penalty.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The government of each state is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged pursuant to Article 276 of the Constitution of India. The professional taxes are classified under various tax slabs in India. The tax payable under the state acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

We are subject to the provisions of state specific legislations in relation to tax on professions, trades, callings and employments is regulated and the rules prescribed under such legislations ("**Profession Tax Acts**"). The Profession Tax Acts provide for the levy and collection of a tax on professions, trades, callings and employment for the benefit of the particular state. Such regulations provide for the employers liability to deduct and pay taxes on behalf of their employees, meeting employers registration and enrolment requirement, filing of returns, payment of advance taxes and other matter regarding payment of tax or in case of non-payment.

HISTORY AND CERTAIN CORPORATE MATTERS

History of our Company

Our Company was incorporated as 'S. Chand & Co. Private Limited' on September 9, 1970 as a private limited company under the Companies Act, 1956 with the RoC Delhi. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956 and, the RoC Delhi certified our change of name to 'S. Chand & Co. Limited' on May 6, 1976 upon such conversion. Thereafter, pursuant to the approval of the Central Government dated April 30, 1986 under Section 43A(4) of the Companies Act, 1956, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S. Chand And Company Private Limited' was issued by the RoC on May 21, 1986. Subsequently, our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956 on October 3, 1988 and accordingly, upon such conversion, our name was changed to 'S. Chand And Company Limited'. Our Company, pursuant to a special resolution dated February 23, 2001, converted from a deemed public limited company under Section 43A(1) of the Companies Act, 1956 to a public limited company under Section 31 and Section 21 read with Section 44 of the Companies Act, 1956 and, upon such conversion, the RoC certified our change of name to 'S. Chand And Company Limited' on November 7, 2001. Pursuant to the approval of the Central Government dated August 8, 2012, our Company was converted into a private limited company and a certificate of incorporation certifying our change of name to 'S Chand And Company Private Limited' was issued by the RoC on August 8, 2012. Our Company was converted into a public limited company under the Companies Act, 2013 and a certificate of incorporation certifying our change of name to S Chand And Company Limited was issued by the RoC on September 8, 2016.

As of the date of this Red Herring Prospectus, our Company has 9 (nine) Shareholders. For further details regarding our Shareholders, see "***Capital Structure***" on page 82.

Changes in the Registered Office of our Company

There has been no change in the Registered Office of our Company since incorporation.

Main objects

The main objects of our Company as per the Memorandum of Association are:

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

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

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

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

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

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

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

The main objects and objects incidental and ancillary to the attainment of the main objects as contained in the Memorandum of Association enable our Company to carry on our existing business.

Changes in our Memorandum of Association

Since the incorporation of our Company, the following changes have been made to our Memorandum of Association:

Date of Change/ Shareholders' Resolution	Particulars
May 6, 1976	Amendment of the Memorandum of Association upon deemed conversion of our Company from a private limited company to a public company.
December 30, 1980	The following Clause III(C)47 (Other Objects) was inserted in the Memorandum of Association: *"To acquire the running business of Hotels, Motels and Restaurants and/or to purchase land and erect hotel, motel and restaurant buildings with all the modern amenities and facilities including diesel filling pumps, camping grounds for tourists, garages for motorists, amusement halls, swimming pools and all other conveniences to the general public, tourists, delegates and study groups and missions visiting the country."*
September 28,1984	The following Clauses III(C)48(a) and III(C)48 (b) (Other Objects) was inserted in the Memorandum of Association: *"To set up a carpet manufacturing unit and/or to acquire any running/ sick carpet manufacturing unit and to carry on the business of manufacturing, shearing, exporting and importing, distributing, dyeing, carpets of all types and descriptions including other flooring materials made of jute, wood, silk and any other natural, synthetic and man-made fibres.* *To manufacture, sell or purchase, store, import and export, all types of natural and man-made fibres/rugs, blankets, bathmats, cushion covers, bed-covers, flooring materials and all types of furnishing fabrics of all and any natural, synthetic and man-made fibres and synthetic and chemical foam underlays on back of carpets."*
May 21, 1986	Amendment of the Memorandum of Association upon conversion of our Company from a public limited company to a private limited company.
October 3, 1988	Amendment of the Memorandum of Association upon deemed conversion of our Company from a private limited company to a public limited company.
September 1, 1989	The following Clause III(C)49 (Other Objects) was inserted in the Memorandum of Association: *"To acquire by purchase new or second hand printing plants or machineries of all types with or without accessories, equipment or devices within the country or import the same from outside for the purpose of leasing or hiring the same to the companies, individuals or firms."*

Date of Change/ Shareholders' Resolution	Particulars
July 12, 1995	The following Clause III(C)50 (Other Objects) was inserted in the Memorandum of Association: *"To establish, own, buy, sell, construct, improve, takeover, manage, operate and maintain Diagnostic Centres, Clinical and Pathological Laboratories, Computerized Tempography (CT) Scanning Centre, Cancer Centres, Hospitals, Nursing Homes, Clinics, Poly Clinics, Dispensaries, Research Centres, X-Ray Centres, Medical and/or Paramedical Test Centres, Pathology Centres, various advanced electro medical testing centres for the general public for commercial use and charitable relief to poor, sick and physically handicapped in India and abroad. To establish Diagnostic Centres, Computerized Tempography (CT) Scanning Centres, MRI in association with existing hospitals and Nursing Home or contract basis."*
November 7, 2001	Amendment of the Memorandum of Association upon conversion of our Company from a public limited company under Section 43A(1) of the Companies Act, 1956 to a public limited company under Section 31 and Section 21 read with Section 44 of the Companies Act, 1956.
August 8, 2012	Amendment of the Memorandum of Association upon conversion of our Company from a public limited company to a private limited company.
August 28, 2012	Clause III(A)2 (Main Objects) of the Memorandum of Association was substituted by the following Clause: *"To carry on business of proprietors and publishers of books and other literary works."*
September 24, 2012	Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Capital of the Company is 50,00,000/- (Rupees Fifty Lacs only) divided into 500,000 Equity Shares of ₹ 10 (Rupees Ten) Each."*
October 16, 2012	Pursuant to the order of the High Court of Judicature at Madras, pursuant to which Atlantic Hotels Private Limited was amalagamated into our Company, the authorized share capital of our Company was increased as follows: "*The Authorised Capital of the Company is ₹ 22,100,000/- (Rupees Two crores and Twenty One Lakhs) divided into 2,210,000 Equity Shares of ₹ 10 (Rupees Ten) each.*"
September 9, 2015	Clause III(C) of the Memorandum of Association pertaining to 'Other Objects' was deleted.
April 20, 2016	Subdivision of Share Capital Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Share Capital of the Company is ₹ 2,21,00,000/- (Rupees Two crores and Twenty One Lakhs) divided into 44,20,000 (Forty Four Lakhs Twenty Thousand) equity shares of ₹5/- each."* Increase in authorised share capital Clause V of the Memorandum of Association was substituted by the following Clause: *"The Authorised Share Capital of the Company is ₹ 20,00,00,000/- (Rupees Twenty Crores) divided into 4,00,00,000 (Four Crores) equity shares of ₹ 5/- each."*
August 31, 2016	Amendment of the Memorandum of Association upon conversion of our Company from a private limited company to a public limited company.

Major events and milestones

The table sets forth some of the major events in our history:

Year	Particulars
1970	S Chand & Co., a partnership firm transferred its business into our Company
1971	Our Company signed an agreement with Maneckji Cooper Trust for exclusive publication rights for certain "Wren & Martin" titles
2005	Our Company was awarded the e-Class project by the Government of Uttaranchal for development of IT enabled course curriculum in Science and Mathematics for classes 9-12, funded by International Development Association
2007	Our Company filed an application in the High Court of Delhi for demerger of real estate and

Year	Particulars
	investments business into RKG Hospitalities Private Limited
2008	Our Company formed a joint venture, HMSC Learning Private Limited with Education Media and Publishing Group Holding BV ("**EMPG BV**") for e-learning solutions
2010	• Publishing and printing facilities set up at Rudrapur under wholly owned subsidiary, Nirja Publishers recieved the factory license • Our Company entered into an agreement for acquiring a majority stake of 51% in BPI through its wholly owned subsidiary Blackie
2011	Our Company underwent corporate restructuring and all hospitality and real estate businesses were demerged to enable our Company to focus purely on education business
2012	• Our Company acquired 100 % stakes in Rajendra Ravindra Printers Private Limited (which was subsequently merged with VPHPL), EPHL, and Blackie • Everstone invested ₹ 1,700 million into our Company • Our Company acquired 100% stake in VPHPL
2014	• Printing plant set up at Sahibabad by VPHPL • Our Company acquired majority shareholding of 51% in NSHPL • Our Company achieved a consolidated revenue of more than ₹ 3,000 million • Safari Digital, one of our Subsidiaries, acquired minority shareholding of 31.21% on a fully diluted basis in ETIPL • Our Company and Safari Digital acquired 49.99% shareholding of EMPG BV in its joint venture S Chand Harcourt (India) Private Limited (now DSDPL)
2015	• Everstone and International Finance Corporation invested ₹ 600 million and ₹ 1,100 million respectively in our Company • Our Company exceeded consolidated revenue of ₹ 4,000 million • Our Company acquired minority equity stake of 25.5% on a fully diluted basis in SLPL • Safari Digital launched its mobile application, myStudyGear • Safari Digital increased its shareholding from 31.21% to 37.54% on a fully diluted basis in ETIPL. Thereafter, Safari Digital further increased its shareholding from 37.54.% to 44.66% in ETIPL by purchasing shares from the existing shareholders of ETIPL
2016	• Our Company acquired residual minority shareholding of 49 % in NSHPL • Our Company exceeded consolidated revenue of ₹ 5,000 million • Safari Digital acquired minority shareholding of 15.34% on a fully diluted basis in Testbook Edu Solutions Private Limited (formerly Share Infotech Private Limited) • Safari Digital acquired minority shareholding of 10.15% on a fully diluted basis in Gyankosh Solutions Private Limited • Safari Digital launched its curriculum solutions for K-12 under the brand "Mylestone" • Our Company and EPHL, one of our Subsidiaries, together, acquired 74% shareholding of Chhaya Prakashani Private Limited

Strikes and lock-outs

Our Company has not experienced any strikes, lock-outs or instances of labour unrest in the past.

Time/Cost Overrun in setting up projects

Our Company has not implemented any projects and therefore has not experienced any time or cost overruns since our Company is engaged in the educational content business.

However, our Subsidiary, VPHPL had a cost overrun of ₹ 53.33 million in relation to delay in setting up of its plant and machinery at Sahibabad of a period of three months and on account of this delay, the plant which was to become operational in September 2014 became operational in December 2014.

Changes in the activities of our Company

There has been no change in the activities of our Company during the last five years preceding the date of this Red Herring Prospectus which may have had a material effect on the profit or loss of our Company, including discontinuance of its lines of business, loss of agencies or markets and similar factors.

Defaults or rescheduling of borrowings from financial institutions/banks, conversion of loans into equity by our Company

There are no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company. For details of any instances of delays in payments and non-compliance with certain covenants by our Company, see "***Risk Factors***" on page 37.

Capital raising activities through debt or equity

Except as set out in the section titled "***Capital Structure***" on page 82, our Company has not raised any capital in the form of Equity Shares or debt. For details of borrowings availed by our Company outstanding as on March 15, 2017, see "***Financial Indebtedness***" on page 416.

Awards and Accreditations

The table below sets forth the awards and accreditations received in our history:

Year	Accreditation
2006	Award for excellence in publishing for catalogue on higher academic books (2nd recipient), inquisitive science (certificate of merit) by the Federation of Indian Publishers
2008	Company won the "Best Indian Publisher Award 2008" for computer aided learning awarded by the Federation of Publishers and Booksellers Associations in India
2010	• Project "Destination Success" of Indian High School, Dubai awarded the #1 ICT enabled school at the eINDIA Citizen Choice Award 2010 • Second recipient in English–Hindi dictionary of technical terms in Economics and Commerce awarded by the Federation of Indian Publishers
2013	• Delhi Safety Award conferred by Labour Department, Government of Delhi, on Rajendra Ravindra Printers Private Limited (now VPHPL) • Innovative Publisher of the Year Award conferred on Madhubun Educational Books at the Indian Education Congress 2013
2014	• First recipient of Diamond Award from the Federation of Publishers & Booksellers Associations in India upon completion of 75 years • K-12 Education Publisher of the Year Award conferred on Madhuban Educational Books at the Indian Education Congress 2014
2016	Company conferred with the "Business Superbrands 2016" status

Details regarding acquisition of business/undertakings, mergers, amalgamation

Except as stated below and otherwise disclosed in the section "***Material agreements***", there have been no acquisitions, mergers, or amalgamations by our Company.

Share Purchase Agreement dated November 14, 2016, as amended on November 29, 2016, amongst Mr. Sumit Biswas, Ms. Shalini Biswas, Ms. Noyanika Biswas (together referred to as the "Sellers"), Chhaya Prakashani Private Limited, Eurasia Publishing House Private Limited ("EPHL"), and our Company

Our Company and EPHL had entered into a share purchase agreement dated November 14, 2016, as amended on November 29, 2016, with the Sellers and Chhaya Prakashani Private Limited ("**SPA**") for acquisition of 100% equity shareholding of Chhaya Prakashani Private Limited in two tranches. Our Company and EPHL, one of our Subsidiaries, have acquired 43.53% and 30.47% of the outstanding issued share capital of Chhaya Prakashani Private Limited, respectively, on December 5, 2016 in tranche 1 for a total purchase consideration of ₹ 1,700.05 million and accordingly Chhaya Prakashani Private Limited and its subsidiaries IPPCPL and PSPL have become subsidiaries of our Company. The remaining 26% equity shareholding of Chhaya Prakashani Private Limited shall be acquired by our Company in tranche 2 on or after November 15, 2018 and no later than December 31, 2018.

Scheme of demerger between our Company and RKG Hospitalities Private Limited

Our Company had demerged its investment and real estate business to RKG Hospitalities Private Limited in terms of the scheme of arrangement approved by the Delhi High Court on October 3, 2008 ("**Demerger Scheme**"). The Demerger Scheme was filed with the RoC on May 29, 2009 and became effective from April 1, 2007. Under the terms of the Demerger Scheme, all undertakings, properties and liabilities of our Company pertaining to its investment and real estate businesses were demerged into RKG Hospitalities Private Limited on a "going concern" basis. Further, under the terms of the Demerger Scheme, 53,200 equity shares in RKG

Hospitalities Private Limited of face value ₹ 10 were issued to the equity shareholders of our Company for every one equity share of ₹ 1,000 each held by shareholder in our Company.

Scheme of arrangement amongst our Company and Atlantic Hotels Private Limited, and S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited

Atlantic Hotels Private Limited had amalgamated into our Company, and our Company had demerged its hotel and real estate business to S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited in terms of the scheme of arrangement approved by the Madras High Court on September 14, 2012 and the Delhi High Court on October 21, 2011 ("**Scheme**"). The Scheme was filed with the RoC on February 9, 2012 and the Registrar of Companies, Tamil Nadu at Chennai on October 16, 2012 and became effective from April 1, 2011 in accordance with the terms of the Scheme. Under the terms of the Scheme, all undertakings, properties and liabilities of Atlantic Hotels Private Limited were amalgamated into our Company, and all undertakings, properties and liabilities of our Company pertaining to its hotel and real estate businesses were demerged into S. Chand Hotels Private Limited, SC Hotel Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited in terms of the Scheme, each on a "going concern" basis. Under the terms of the Scheme (i) upon amalgamation of Atlantic Hotels Private Limited, a wholly owned subsidiary of our Company, into our Company, the share capital of Atlantic Hotels Private Limited were cancelled and clubbed with the share capital of our Company and (ii) upon demerger of S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited from our Company, 30,926,693 equity shares of S. Chand Hotels Private Limited, 1,709,711 equity shares of SC Hotels Tourist Deluxe Private Limited, 1,589,894 equity shares of Shaara Hospitalities Private Limited, and 8,248,394 equity shares of S Chand Properties Private Limited, respectively, were issued to the shareholders of our Company in proportion to their shareholding.

Material agreements

Amended and Restated Shareholders' Agreement dated October 7, 2015, as amended on March 31, 2016 and December 14, 2016 entered among our Company, Everstone Capital Partners II LLC ("Everstone"), International Finance Corporation ("IFC"), Ms. Savita Gupta, Mr. Himanshu Gupta, Ms. Ankita Gupta, Ms. Nirmala Gupta, Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala, and Mr. Gaurav Kumar Jhunjhnuwala (together the "Management Shareholders of our Company")

Our Company had entered into a share purchase and subscription agreement dated August 28, 2012, and a shareholder agreement dated August 28, 2012 with Everstone and the Management Shareholders of our Company, both of which were subsequently amended by an amendment agreement dated September 26, 2012. Subsequently, our Company entered into a subscription agreement with Everstone, Mr. Himanshu Gupta, and Mr. Dinesh Kumar Jhunjhnuwala on October 7, 2015 and a subscription agreement with IFC, Mr. Himanshu Gupta, and Mr. Dinesh Kumar Jhunjhnuwala on October 7, 2015 pursuant to which IFC acquired 18,958 equity shares and Everstone acquired 10,341 equity shares of our Company. For details relating to subscriptions by Everstone and IFC, see "***Capital Structure***" on page 82.

Pursuant to the above, our Company entered into an amended and restated shareholders' agreement dated October 7, 2015, as amended on March 31, 2016 and December 14, 2016 ("**EIFC SHA**") with Everstone, IFC, and the Management Shareholders of our Company to regulate their relationship and the management and operation of our Company. Everstone along with IFC are collectively referred to as "**Investors of our Company**". Certain key terms of the EIFC SHA are as follows:

Restriction on transfer of shares

There are certain restrictions on transfer of shares on the Management Shareholders of our Company, except for certain permitted transfers and our Company undertaking an IPO.

Pre-emptive rights

Our Company shall not issue any equity shares to any person, unless our Company has first offered to the existing shareholders of our Company the right to subscribe to the offered shares to maintain their respective *pro*

rata shareholding in our Company. However, this restriction shall not apply to any issuance of equity shares (i) as consideration for acquisition by our Company or merger of a business entity with or into our Company as approved by the Investors of our Company; or (ii) in an initial public offer at an agreed valuation or an initial public offer at an agreed valuation that may be demanded by the Investors of our Company; or (iii) pursuant to exercise of stock options under the employee stock option plan as per the terms of the EIFC SHA.

Corporate governance

The board of directors shall not exceed fifteen directors or such other number agreed upon by the parties to the EIFC SHA, consisting of the following:

(i) Everstone shall be entitled to nominate such number on the Board as would be reflective of its pro-rata shareholding in our Company (without including the Independent Directors) subject to a minimum of 1 (one) Director on the Board, as long as it has ownership of 5% (five percent) or more of the share capital of our Company; and

(ii) IFC shall be entitled to nominate 1 (one) Director on the Board, as long as it has ownership of 5% (five percent) or more of the share capital of our Company.

Everstone reserved matters

The shareholders of our Company agree that neither our Company nor any shareholder, director, officer, committee can, without the prior written consent of Everstone, take certain actions including;

(i) Transfer, allot, issue, redeem, vary or repurchase or agree to transfer, allot, issue, redeem, vary or repurchase any share capital of its subsidiaries or minority joint ventures;

(ii) Any alteration of, amendment to, or waiver of any provision of the memorandum of association and articles of association of our Company or any of its subsidiaries; and

(iii) Any change in the number of directors on the board.

The parties to the EIFC SHA have agreed that in the event (i) Everstone ceases to be a shareholder in our Company; and (ii) IFC holds at least the minimum shareholding as per the terms of the EIFC SHA, then our Company shall and shall ensure that the Subsidiaries obtain the prior written consent of the board and IFC prior to taking any action on the above mentioned matters.

IFC reserved matters

Our Company shall not and shall ensure that each of its Subsidiaries shall not, without the prior written consent of IFC, take including, without limitation, the following actions:

(i) Amend or repeal the charter documents of our Company;

(ii) Create, authorise or issue any equity shares in our Company, having rights, privileges and preferences more favourable or senior to the rights, privileges and preferences granted to IFC or incurring any shareholder loan;

(iii) Any amalgamation, merger, consolidation, reconstitution, restructuring or similar transaction that results in a change in control of our Company and its subsidiary; and

(iv) Authorise or undertake any listing, offering or any delisting of any equity shares of our Company and its subsidiary, other than an initial public offer at an agreed valuation in accordance with the terms of the EIFC SHA.

If the shareholding of IFC falls below 7% of the share capital of our Company, then our Company will not have to obtain prior written consent from IFC for certain matters as per the terms of the EIFC SHA.

Board and Everstone reserved matters

Our Company shall not and shall ensure that each of its subsidiaries shall not, without the prior written consent of the board and Everstone, take including, without limitation, following actions:

(i) Entering into any commitments for capital investments in excess of the business plan as per the terms of the EIFC SHA; and

(ii) Creating any subsidiaries or entering into any joint ventures.

Our Company, Everstone, IFC, and the Management Shareholders of our Company had entered into an amendment letter dated March 31, 2016 ("**Amendment Letter**"), as subsequently amended by an amendment agreement dated December 14, 2016 ("**Amendment Agreement**"). Pursuant to the terms of the Amendment Agreement, IFC may, if the filing of the DRHP by the Company with the SEBI has taken place within 66 (sixty-six) months from September 27, 2012 but the Company has not completed certain stipulated reinstatement actions, offer all or any of the securities in our Company held by it to the Management Shareholders of our Company at any time during the period immediately commencing after 66 (sixty-six) months from September 27, 2012 and expiring on the earlier of; (i) date on which the Company completes such reinstatement actions; and/or date on which the shares of the Company are listed on the Stock Exchanges.

Pursuant to the terms of the Amendment Agreement, upon consummation of the IPO, the EIFC SHA shall stand automatically terminated without any further action or notice by any party, except the post-IPO Promote Arrangement (as defined hereinafter) and certain standard clauses relating to indemnity, confidentiality, governing law, dispute resolution *etc.* shall continue to subsist, and the Policy Covenants (as defined hereinafter) shall come into force.

Post consummation of the IPO, in terms of the Amendment Agreement, our Company has agreed to comply with its policy on certain operational covenants *i.e.*, on sanctionable practices, environmental covenants, anti-corruption guidelines, their reporting, and restrictions on certain transfers ("**Policy Covenants**"). Also, post consummation of the IPO, IFC and Everstone have, respectively, in terms of the Amendment Agreement and subject to applicable laws, agreed to share with the Management Shareholders of our Company, a specified percentage of the consideration received by IFC and Everstone on transfer of all Equity Shares held by IFC or all or a part of the Equity Shares held by Everstone (over and above an agreed threshold calculated based on Internal Rate of Return ("**IRR**") achieved by IFC and Everstone on their respective investment amounts, as provided in the Amendment Agreement) ("**Promote Arrangement**"). This profit sharing arrangement would apply only in cases where the IRR (calculated at certain specified intervals) is in excess of certain thresholds agreed amongst the parties. Our Company will, in compliance with Regulation 26(6) of the Listing Regulations and after listing of the Equity Shares, take approval from the Board of Directors and Shareholders (by way of an ordinary resolution) in relation to the Promote Arrangement.

Undertaking from our Company

Please note that Article 40 of Part A of our Articles of Association, amongst others, provides as under:

"(a) Notwithstanding anything to the contrary contained in Part A of these Articles, any Shareholder whose shareholding in the Company is seven and a half per cent (7.5%) or more of the total outstanding Equity Shares on a fully diluted basis, shall have the right to nominate one Director on the Board.

(b) Notwithstanding anything to the contrary contained in Part A of these Articles, any Shareholder whose shareholding in the Company is ten per cent (10%) or more of the total outstanding Equity Shares (on a fully diluted basis), shall have the right to nominate its respective nominee Director as a member on the 'Subsidiaries and Joint Venture Governance Committee' of the Board."

In relation to the above, our Company undertakes that upon the listing of the Equity Shares pursuant to the Offer, our Company will seek approval of its shareholders post the listing through a special resolution regarding the rights available to the shareholders under Article 40 of Part A of our Articles of Association. In accordance with the Companies Act, our Company's current board of directors will continue in accordance with their existing terms of appointment, and any future appointments to the Company's board of directors (including

pursuant to Article 40 of Part A of our Articles of Association), will be in accordance with the Companies Act and our Articles of Association.

Share Subscription and Shareholders' Agreement dated July 15, 2015 entered among our Company, Smartivity Labs Private Limited ("SLPL"), Mr. Ashish Gupta, and Mr. Tushar A. Amin (together the "Promoters of SLPL"), Mr. Jai Ishwarchandra Saxena, Mr. Samir Khurana, Mr. Saurabh Mittal, Mr. Jagdeep Singh, and Mr. Kunal Khattar (together the "Angel Investors of SLPL"), Mr. Ashwini Kumar, Mr. Apoorv Gupta, and Mr. Rajat Jain (together the "Management Shareholders of SLPL") and Share Subscription and Shareholders' Agreement dated April 13, 2016 entered among Vaark Capital, Mr. Atul Gupta, Mr. Samridh Poddar, TANDEM Fund III, L.P. (together the "New Angel Investors"), India Technology Fund, Ms. Karina Choudhrie, Ms. Samriddhi Sehgal (together the "New Investors"), CFG Offshore Holdings Limited, Ant Holdings Private Limited (together the "Growth Investors"), SLPL, our Company, the Promoters of SLPL, the Angel Investors of SLPL, the Management Shareholders of SLPL

Our Company had entered into a share subscription and shareholders' agreement dated July 15, 2015 ("**SLPL SHA-1**") with SLPL, Promoters of SLPL, Angel Investors of SLPL, and Management Shareholders of SLPL, pursuant to which (i) our Company subscribed to one equity share and 4,164 compulsorily convertible cumulative participating preference shares ("**CCCPS**") and (ii) the Angel Investors of SLPL subscribed to an aggregate of five equity shares and 2,037 CCCPS. Subsequently, our Company entered into a share subscription and shareholders' agreement dated April 13, 2016 ("**SLPL SHA-2**") ('SLPL SHA-1' and 'SLPL SHA-2' collectively referred to as "**SLPL SHA**") with SLPL, New Angel Investors, New Investors, Growth Investors, the Promoters of SLPL, the Angel Investors of SLPL, and the Management Shareholders of SLPL, pursuant to which (i) our Company subscribed to 49 equity shares and 900 CCCPS (ii) Growth Investors subscribed to 10 equity shares and 1,415 CCCPS (iii) New Angel Investors subscribed to 10 equity shares and 703 CCCPS and (iv) New Investors subscribed to 4 equity shares and 1,415 CCCPS. The equity shares of SLPL along with the CCCPS are collectively referred to as "**SLPL Equity Securities**".

Certain key terms of the SLPL SHA are as follows:

Conversion of CCCPS

Each CCCPS may be converted into equity shares of SLPL at any time at the option of the holder of that CCCPS. Subject to compliance with applicable laws, each CCCPS shall be automatically converted into equity shares of SLPL as per the terms of the SLPL SHA upon the earlier of:

(i) On day prior to 20 years from the closing date as stated in the SLPL SHA; or

(ii) In connection with an initial public offer (or any subsequent initial public offer), prior to filing of the offer document by SLPL with the competent authority.

Board of Directors

The board of directors of SLPL shall comprise six directors, consisting of three directors nominated by the Promoters of SLPL and the Management Shareholders of SLPL, at least two of which are Management Shareholders of SLPL, one director nominated by our Company, one director nominated by the New Investors, and one director nominated by the Growth Investors, each of the directors appointed by our Company, the New Investors and the Growth Investors being non-executive nominee directors.

Neither SLPL nor any of its shareholders, directors, committees, employees, agents or any of their respective delegates can without written consent or approval of our Company, take any decision or action in relation to any matter including, without limitation, the following:

(i) Any change in the authorised, issued, subscribed or paid up share capital; and

(ii) Commencement of any new activity or line of business.

Further, our Company shall be entitled to the aforementioned affirmative voting rights as set out herein in all the subsidiaries of SLPL.

Transfer of Shares

Any transfer by any shareholder of SLPL (other than our Company, the Growth Investors and the New Investors) will be subject to a right of first refusal of our Company and/or the Growth Investors and/or the New Investors. Further, if our Company, the Growth Investors or the New Investors decide not to exercise their aforesaid right of first refusal, they may choose to tag along on a *pro-rata* basis, or their entire shareholding, in SLPL, in the sale to the proposed transferee, in case such a sale would cause the aggregate shareholding of the Promoters of SLPL and the Management Shareholders of SLPL to reduce below 35% of the shareholding of SLPL. In the event that the Promoters of SLPL and/or the Management Shareholders of SLPL propose to transfer their SLPL Equity Securities, our Company, the Growth Investors, the New Investors, the New Angel Investors and the Angel Investors of SLPL shall have the right to tag along, in the sale to the proposed transferee, on a *pro rata* basis.

The SLPL Equity Securities held by our Company, the Growth Investors, the New Investors, the Angel Investors, the New Angel Investors will be freely transferable subject to the terms of the SLPL SHA.

Investment and Share Subscription Agreement dated November 15, 2010 entered among Blackie & Son (Calcutta) Private Limited ("Blackie"), BPI (India) Private Limited ("BPI"), and Mr. Jai Saxena & Ms. Vidya Sexena ("Promoters of BPI")

Our subsidiary Blackie has entered into an investment and share subscription agreement dated November 15, 2010 ("**BPI ISSA**") with our subsidiary BPI, and Promoters of BPI pursuant to which Blackie acquired 51% of the issued and subscribed share capital of BPI. Certain key terms of the BPI ISSA are as follows:

Board of directors

The board of directors of BPI shall be composed of four directors, consisting of two directors nominated and appointed by Blackie along with the two Promoters of BPI.

Reserved Matters

BPI and the Promoters of BPI shall not take or cause to take, any action with respect to the reserved matters including, without limitation, alteration of memorandum and articles of association of BPI, raising capital of BPI/ issue of further shares of BPI to any person including existing shareholders of BPI, making investments or entering into a joint venture agreement with another party or acquisition of another business, without the prior written consent of Blackie. However, Blackie shall be entitled to the aforesaid rights only as long as its shareholding in BPI is 26% or more.

Transfer of shares

In the event of fresh issue of equity shares by BPI, Blackie and the Promoters of BPI shall be allotted shares in proportion to their respective shareholding patterns. Further, no new shares may be issued to a third party unless agreed to by Blackie.

In the event Blackie or the Promoters of BPI is desirous to sell its respective shareholding in BPI to a third party, then the other party (not selling their shareholding), shall be entitled to a right of first refusal.

Any transfer of shares by any shareholder in a manner not provided for in the BPI ISSA shall be not be valid.

Shareholders' Agreement dated September 2, 2014 entered among Edutor Technologies India Private Limited ("ETIPL"), Mr. Ram Kumar Gollamudilaxminarasimha, Mr. Boni Venkata Baghathi, Mr. Ramesh Karra (together the "Promoters of ETIPL"), Mr. Shahi Parvatha Reddi, Sashi Reddi Investment Capital Fund, Janampally Krishnadev Rao – HUF, Orient Blackswan Private Limited, Mr. Salman Karim Babukhan, Mr. Amul B. Sanghani, Mr. Atul B. Sanghani, Mr. Gunapati Ram Chaitanya Reddy, Ms. Snehil Saraf, Mr. Suman Saraf, New India Ventures I, LLC, Mr. Mahesh Pratapaneni, IITM Rular Technologies and Business Incubator (together the "Seed Shareholders of ETIPL"), and Safari Digital

Our Subsidiary, Safari Digital has entered into a shareholders' agreement dated September 2, 2014 ("**ETIPL SHA**") and a share subscription agreement dated September 2, 2014 ("**ETIPL SSA**"), with the Promoters of

ETIPL, ETIPL, and the Seed Shareholders of ETIPL. Pursuant to the ETIPL SSA, Safari Digital had entered into share purchase agreements dated September 2, 2014 and a share purchase agreement dated July 21, 2015 with the selling shareholders of ETIPL for a total of 1,818,977 equity shares of ETIPL constituting 38.62% of the issued and paid-up equity share capital of ETIPL. Currently, Safari Digital holds 2,025,766 equity shares of ETIPL constituting 44.66% of the issued and paid-up equity share capital of ETIPL. Certain key terms of the ETIPL SHA are as follows:

Further issue of shares and pre-emptive right

ETIPL shall be entitled to offer for subscription its shares to (i) its existing shareholders; or (ii) its employees under employee stock option plan; or (iii) any other person. In case ETIPL offers for subscription its shares to its existing shareholders, ETIPL shall also give to its existing shareholders the pre-emptive right of subscription to maintain their pro rata shareholding in ETIPL, prior to such issuance.

Further, if the pre-emptive right holder does not exercise their right as per the terms of the ETIPL SHA, then board of ETIPL shall offer the unsubscribed shares to any other party, subject to the prior written consent of Safari Digital.

Board of directors

The board of directors of ETIPL shall constitute not more than six directors, consisting of three directors nominated by the promoters of ETIPL, one director nominated by the Seed Shareholders of ETIPL, and two directors nominated by Safari Digital (along with one observer).

Further, Safari Digital shall have the right to appoint either a director or an observer to the board of the subsidiary of ETIPL as per the terms of the ETIPL SHA.

Transfer of shares

No shareholder of ETIPL shall, directly or indirectly, transfer or dispose of or encumber any shares of ETIPL held by it or any of its rights or obligations under the ETIPL SHA except for certain permitted transfers, as provided in the ETIPL SHA, including pursuant to a strategic sale initiated by the Promoter of ETIPL. Further, the transfer, if any, of such shares shall be subject to in the provisions of the ETIPL SHA.

Strategic Sale

If the Promoter of ETIPL proposed to sell/transfer his shares in ETIPL in accordance with the terms of the ETIPL SHA to a third party for a minimum of 51% shares of ETIPL, then the selling Promoter of ETIPL shall:

(i) Give Safari Digital the right of first refusal over the shares (at a minimum of 51% of the then share capital of ETIPL) being offered by the selling Promoter of ETIPL. Further, if Safari Digital does not exercise its aforesaid right of first refusal, then Safari Digital shall have the right to tag along all its shares in ETIPL with those being offered by the selling Promoter of ETIPL in the sale to the proposed transferee; and

(ii) Give the Seed Shareholders of ETIPL, the right to tag along their shares in ETIPL, along with the shared being offered by the selling Promoter of ETIPL, on a proportionate basis in the sale to the proposed transferee. However, the tag along right of the Seed Shareholders of ETIPL is subject to the tagged shares of Safari Digital (as stated above in clause (i)) being purchased first by the proposed transferee.

However, subject to the above, under no circumstance can the shareholding of the Promoters of ETIPL be less than 7.5% individually and less than 33% in aggregate as long as Safari Digital remains a shareholder in ETIPL.

If Safari Digital, at any time intends to sell any shares of ETIPL, in whole or in part, to any person other than an affiliate, related party or similar business entity, then Safari Digital is required to offer the offered shares first to the Promoters of ETIPL.

If Safari Digital, at any time intends to sell any shares of ETIPL, in whole or in part, to a similar business entity, then Safari Digital is required to offer the offered shares first to the Promoters of ETIPL. If Safari Digital does

not accept the right of first offer price put forth by the Promoters of ETIPL, then the Promoters of ETIPL shall have a right to tag along a proportionate number their shares in ETIPL with the shares of ETIPL being offered by Safari Digital to the proposed transferee.

If the Seed Shareholders of ETIPL, at any time intend to sell any shares of ETIPL, to any person other than a similar business entity, then the Seed Shareholders of ETIPL are required to offer the offered shares first to Safari Digital.

Reserved Matters

The reserved matters, without limitation, shall not be undertaken by ETIPL, or the board of ETIPL, without the prior written consent of Safari Digital including transfer, allot, issue, redeem, vary or repurchase or agree to transfer, allot, issue, redeem, vary or repurchase its securities of ETIPL; any alteration of, amendment to, or waiver of any provision in the memorandum and articles of association of ETIPL; and any increase or decrease in the number of directors on the board of ETIPL; and proposal for winding up of ETIPL.

Amended and Restated Series A Shareholders' Agreement dated March 31, 2017 entered among Testbook Edu Solutions Private Limited (earlier known as Share Infotech Private Limited, "SIPL") ("Testbook"), Matrix Partners India Investments II Extension, LLC ("Matrix"), Safari Digital Education Initiatives Private Limited, Mr. Narendra Agarwal, Mr. Ashutosh Kumar, Mr. Yadvendar Champawat, Mr. Abhishek Sagar, Mr. Praveen Agrawal and Mr. E. Manoj Chaturvedi Naik (together "the Promoters of Testbook")

Our subsidiary Safari Digital has entered into an amended and restated series A shareholders agreement ("**Series A SHA**") dated March 31, 2017 with Testbook, the Promoters of Testbook and Matrix Partners India Investments II Extension, LLC. The Series A SHA supersedes the share subscription cum shareholders' agreement dated December 30, 2015 ("**SIPL SHA**") entered among Safari Digital, Testbook, the Promoters of Testbook, Mr. Utsav Somani, Mr. Ranadheer Mada, Mr. Sunil Partani, Mr. Rakesh Shah, Mr. Sreejan Choudhary, Mr. Shobhit Shukla, Mr. Amit Chand, Mr. Saisree Puthucode Subramanian, Mr. Shubham Gupta, Mr. Krishna Khandelwal, Ms. Sita Ramakrishna Velamuri, Nomad Ventures, Mr. Silvan Varghese, Mr. Kalyan Babu Sangam, Mr. Balamurugan Chandrasekaran, Mr. Mayank Kumar, Mr. Pankaj Rathi, Mr. Abhimanyu Singh, Mr. NV Subbarao, Mr. V C Karthic, Mr. Rajeev Krishnan, Mr. Vipul Badani, Singapore Angel Network Pte. Ltd., Mr. Shankar Narayanan Madhava Menon (together the "Existing Investors of SIPL"), pursuant to which Safari Digital subscribed to 100 equity shares of SIPL and 2,690 preference shares of SIPL, save for certain clauses, amongst others, conversion of preference shares, representations and warranties, indemnification and termination. Certain key terms of the Series A SHA and SIPL SHA are as follows:

Conversion of preference shares

The preference shares of Testbook shall be converted into equity shares of Testbook on the occurring of the earlier of (i) liquidation event as per the terms of the SIPL SHA; (ii) consummation of an initial public offer or an initial public offer at an agreed valuation; or (iii) 20 years from the closing date as per the terms of the SIPL SHA.

Board of directors

The Promoters of Testbook have the right to nominate three directors, the Promoters of Testbook and Matrix shall jointly have the right to nominate one director. Further, Matrix shall have the right to cause the appointment, removal and substitution of two directors and Safari Digital shall have the right to cause the appointment, removal and substitution of one director. Each of Matrix, Safari Digital and certain angel investors collectively have the right to nominate one observer each to the board of directors of Testbook.

Pre-emptive rights

In the event of any other issuance of securities by Testbook, each of Matrix and Safari Digital (and/or their respective affiliates holding securities in Testbook for the time being) shall have a right to participate to maintain its proportionate shareholding in Testbook.

If neither Matrix nor Safari Digital (and/or their respective affiliates holding securities in Testbook for the time being) subscribe to all its respective entitlements for the securities to be issued by Testbook, then Testbook shall have the right to offer the said issued securities of Testbook to any third party as per the terms of the Series A SHA.

Transfer of shares

The Promoters of Testbook shall not transfer any securities to any person except with the prior written consent by way of simple majority of all securities held by Safari Digital, Matrix and certain angel investors, provided however, in the event the price at which the securities are proposed to be sold is lower than the price per security paid by Safari Digital for certain preference shares in Testbook, then the prior written consent of Safari shall be required.

Matrix and Safari Digital shall have the right to freely transfer their securities in Testbook to any person other than any person disqualified as per the terms and conditions of the Series A SHA provided that each right of Matrix or Safari Digital to appoint a nominee on the board of directors of Testbook shall either be retained by Matrix or Safari Digital or transferred to the transferee and such transferred right shall not be exercisable by the transferor and transferee.

Certain angel investors shall have the right to freely transfer their securities in Testbook to any person provided that the right of Matrix, Safari Digital and certain angel investors to appoint an investor observer on the board of directors of Testbook shall at all times be only exercisable collectively by Matrix, Safari Digital and such angel investors.

In the event the Promoters of Testbook that hold any securities in Testbook intend to transfer the securities held by them in Testbook for which Matrix's and/or Safari Digital's prior written consent has been obtained, then Matrix shall have the right to purchase up to all of such securities, subject to the terms and conditions of the Series A SHA.

If Matrix and/or Safari Digital (as applicable) do not exercise the right of first refusal as mentioned above, the Matrix, Safari Digital and certain angel investors shall have the right to require the Promoters of Testbook to ensure that the purchaser of such securities purchases the tag shares (as per the Series A SHA) along with the securities under the right of first refusal being transferred by the Promoters of Testbook, as per the terms of Series A SHA.

If within a period three years from the closing date, Matrix and/or Safari Digital intend to transfer any securities held by it in Testbook to any specified competitor, then the Promoters of Testbook shall have the right to purchase all but not less than all of such securities in accordance with the terms of the Series A SHA.

If certain angel investors intend to transfer the securities held by it in Testbook to any person, then the Promoters of Testbook and Matrix shall have the right to purchase, on a *pro rata* basis, up to all of such securities in accordance with the terms of the Series A SHA.

Share Subscription and Shareholders' Agreement dated January 6, 2016 entered among Gyankosh Solutions Private Limited ("GSPL"), Mr. Vineet Dwivedi, Mr. Ashis Kumar Roy (together the "Promoters of GSPL"), Mr. Rahul Pandey, Mr. Deepa Bhat (together the "Key Employees of GSPL"), Blume Ventures India Fund II ("BVIF"), Blume Ventures Fund II ("BVF"), Safari Digital, Ms. Jyoti Swarup, Mr. Rakesh Malhotra, Mr. Venkat Krishnamurthy, Mr. Arup Datta, Mr. Akshay Garg, Mr. Ashutosh Sinha, Calabasas Ventures Private Limited, Mr. Sachin Bhatia, Mr. Shagufta Anurag, Mr. Anuj, Mr. Jignesh Bhate, Mr. Kushal Sacheti, Mr. Ramakant Sharma, Mr.Kirari Konduri, Mr. Abhishek Goyal (together the "Existing Investors 1 of GSPL"), Bluecap Mobile Private Limited, Mr. Anoop Goyal, Ms. Namratha Sastry, Ms. Subrata Mitra, Mr. Mukesh Bansal, Mr. Mukesh Singh, Mr. Gaurav Mishra, Mr. Manish Singhal, Mr. Sankar Bora, Mr. Gaurav Singh Kushwaha, Mr. Ravi Kanniganti (together the "Existing Investors 2 of GSPL"), Mr. Vivek Malhotra, Xelpmoc Design and Tech Private Limited, and Ms. Babita Dubey (together the "Existing Shareholders of GSPL")

Our subsidiary Safari Digital has entered into a share subscription cum shareholders' agreement dated January 6, 2016 ("**GSPL SHA**") with the Promoters of GSPL, Key Employees of GSPL, GSPL, BVIF, BVF, Existing

Shareholders of GSPL, Existing Investors 2 of GSPL, and the Existing Investors 1 of GSPL, pursuant to which (i) Safari Digital subscribed to 100 equity shares of GSPL and 319,900 preference shares of GSPL; and (ii) BVF subscribed to 51,977 preference shares of GSPL. The equity shares of GSPL along with the preference shares of GSPL are collectively referred to as "**GSPL Securities**". BVIF, BVF, Safari Digital, Existing Investors 2 of GSPL, and the Existing Investors 1 of GSPL are collectively referred to as "**Investors of GSPL**". Certain key terms of the GSPL SHA are as follows:

Conversion

The preference shares of GSPL shall be converted into equity shares of GSPL on the occurring of the earlier of (i) liquidation event as per the terms of the GSPL SHA; (ii) consummation of an initial public offer or an initial public offer at an agreed valuation; or (iii) 20 years from the closing date as per the terms of the GSPL SHA.

Board of directors

The board of directors of GSPL shall consist of not more than seven directors, consisting of three directors nominated by the Promoters of GSPL, Existing Investor 1 of GSPL and Existing Investor 2 of GSPL shall both nominate one director each, one director nominated by BVIF, and one director nominated by Safari Digital.

BVIF and Safari Digital shall be entitled to appoint one observer each to the board of directors of GSPL. Further, in the event that the shareholding of the Investors of GSPL falls below the minimum limit as prescribed in the terms of the GSPL SHA, the right to board representation shall fall away.

Reserved Matters

The reserved matters, without limitation, must not be considered by GSPL, or the board of GSPL, without the prior written consent of nominee directors of the Investors of GSPL including any amendment to the memorandum of association, articles of association, or any charter documents of GSPL; removal or appointment of the Promoters of GSPL and key employees; and alteration or changes to the rights, preference or privileges of any equity shares or preference shares of GSPL by GSPL.

Pre-emptive rights

In the event that GSPL proposes to undertake any future preferential allotment of GSPL Securities, then GSPL must provide each of the Investors of GSPL a pre-emptive right of subscription equivalent to their respective *pro rata* shareholding in GSPL as per the terms of the GSPL SHA.

If the Investors of GSPL do not subscribe to all of the issued GSPL Securities, then GSPL shall have the right to offer the said issued GSPL Securities to any third party as per the terms of the GSPL SHA.

However, the above mentioned provisions, shall not apply to certain events, including further issuance of GSPL Securities as per the approved employee stock option plan scheme pursuant to an initial public offer.

Transfer of shares

The Promoters of GSPL and their affiliates shall not without the prior written consent of Investors of GSPL, sell or otherwise transfer or part with any part of their shareholding in GSPL for as long as the Investors of GSPL hold any GSPL Securities as per the terms of the GSPL SHA. Further, the transfer, if any, of such GSPL Securities shall be subject to such restrictions as specified in the GSPL SHA.

In the event that the Investors of GSPL proposes or desires to sell any of the GSPL Securities held by them, the Promoters of GSPL will have a right of first offer as per the terms of the GSPL SHA. In the event any shareholder of GSPL proposes to transfer any or all of the GSPL Securities held by them, the Investors of GSPL shall have a right of first refusal as per the terms of the GSPL SHA.

However, if the Investors of GSPL do not exercise their right of first refusal with respect to the offered GSPL Securities, then they will have the right to tag along the entire number of GSPL Securities held by them with the offered shares in the sale to the proposed transferee as per the terms of the GSPL SHA.

Divestment by our Company

Our Company, through one of our Subsidiaries, VPHPL, has divested its shareholding in Arch Papier-Mache Private Limited with effect from December 12, 2016 pursuant to an agreement dated December 8, 2016 entered into among VPHPL, Mr. Himanshu Gupta, Mr. Dinesh Kumar Jhunjhnuwala, Arch Papier-Mache Private Limited, an erstwhile subsidiary of our Company and Indohind International Trade and Industries Private Limited and an amount of ₹ 46.80 million has been duly paid by Indohind International Trade and Industries Private Limited as consideration to VPHPL in this regard. Following such divestment by VPHPL, Arch Papier-Mache Private Limited is no longer an indirect subsidiary of our Company with effect from December 12, 2016.

Business and management

For details of our Company's business, products, technology, capacity build-up, marketing, description of its activities, products, market segment, the growth of our Company, standing of our Company with reference to the prominent competitors with reference to its products, major customers and geographical segment, see "***Our Business***", "***Industry Overview***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 134, 119 and 418.

For details on managerial competence, see "***Our Management***" on page 179.

Holding company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

Other details regarding our Company

As on the date of this Red Herring Prospectus, apart from the disclosures in the section titled "***Outstanding Litigation and Material Developments***" on page 469, there are no injunctions/restraining orders that have been passed against our Company.

Subsidiaries

As of the date of this Red Herring Prospectus, we have 12 Subsidiaries. For further details, see "***Our Subsidiaries***" on page 172.

Guarantees provided by our Promoter

In accordance with the provisions of the loan agreements entered into between our Company, our Subsidiaries, and various lenders of our Company and our Subsidiaries, our Company and our Promoters have issued deeds of guarantees in favour of such lenders. For details in relation to the guarantees issued by our Company and our Promoters, see "***Related Party Transactions***" and "***Material Contracts and Documents for Inspection***" on pages 205 and 598, respectively.

OUR SUBSIDIARIES

Our Company has 12 Subsidiaries, as on the date of this Red Herring Prospectus:

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

Corporate Information

1. Blackie & Son (Calcutta) Private Limited ("**Blackie**")

Blackie was incorporated on October 9, 1979 under the laws of India having its registered office at 7361 Ravindra Mansion, Ram Nagar, New Delhi 110 055, India. Blackie is currently engaged in publishing and selling of books.

Capital Structure

The capital structure of Blackie is as follows:

	Number of equity shares of ₹ 1,000 each
Authorised capital	500
Issued, subscribed and paid up capital	149

Shareholding Pattern

The shareholding pattern of Blackie is as follows:

S. No.	**Name of the Shareholder**	**Number of equity shares ₹ 1,000 each**	**Percentage of total equity holding (%)**
1.	S Chand And Company Limited	148	99.33
2.	Mr. Himanshu Gupta*	1	0.67
	Total	**149**	**100.00**

* *Nominee of S Chand And Company Limited*

2. BPI (India) Private Limited (**"BPI"**)

BPI was incorporated on November 1, 1999 under the laws of India having its registered office at First Floor, Plot No. B-1/ A-26, Mohan Co-operative Industrial Estate, New Delhi 110 044, India. BPI is currently engaged in selling of children books, educational toys, publishing design and content development.

Capital Structure

The capital structure of BPI is as follows:

	Number of equity shares of ₹ 10 each
Authorised capital	1,125,000
Issued, subscribed and paid up capital	1,125,000

Shareholding Pattern

The shareholding pattern of BPI is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 10 each	Percentage of total equity holding (%)
1.	Blackie & Son (Calcutta) Private Limited	573,750	51.00
2.	Ms. Vidya Jai Saxena	506,925	45.06
3.	Mr. Jai Ishwarchandra Saxena	44,325	3.94
	Total	**1,125,000**	**100.00**

3. Chhaya Prakashani Private Limited

Chhaya Prakashani Private Limited was incorporated on November 15, 2006 under the laws of India having its registered office at 1, Bidhan Sarani, Collage Street, Kolkata 700 073, West Bengal, India. Chhaya Prakashani Private Limited is currently engaged in business of publishing, printing, sale, purchase, export and import of all types of books and other literary work and to act as agent and distributor of publishers (both local and foreign) for all types of books and other literary work.

Capital Structure

The capital structure of Chhaya Prakashani Private Limited is as follows:

	Number of equity shares of ₹ 100 each
Authorised capital	550,000
Issued, subscribed and paid up capital	148,284

Shareholding Pattern

The shareholding pattern of Chhaya Prakashani Private Limited is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 100 each	Percentage of total equity holding (%)
1.	S Chand And Company Limited	64,548	43.53
2.	Eurasia Publishing House Private Limited	45,182	30.47
3.	Mr. Sumit Biswas	38,554	26.00
	Total	**148,284**	**100.00**

4. DS Digital Private Limited ("**DSDPL**")

DSDPL was incorporated on January 28, 2008 under the laws of India having its registered office at 7361, Ravindra Mansion, Ram Nagar, New Delhi 110 055, India. DSDPL is currently engaged in providing digital content and interactive learning systems to schools and running pre-schools.

Capital Structure

The capital structure of DSDPL is as follows:

	Number of shares of ₹ 10 each
Authorised capital	60,000,000
Issued, subscribed and paid up capital	56,899,320*

** The paid up capital is ₹568,993,200 divided into 34,728,920 equity shares of ₹10 each and 22,170,400 preference shares of ₹10 each.*

Shareholding Pattern

The shareholding pattern of DSDPL is as follows:

S. No.	Name of the Shareholder	Number of shares ₹ 10 each	Percentage of total shareholding (%)

S. No.	Name of the Shareholder	Number of shares ₹ 10 each	Percentage of total shareholding (%)
A.	**Equity Shares**		
1.	S Chand And Company Limited	17,686,750	50.93
2.	Safari Digital Education Initiatives Private Limited	17,017,165	49.00
3.	Ms. Nirmala Gupta	5,000	0.01
4.	Ms. Savita Gupta	5,000	0.01
5.	Mr. Dinesh Kumar Jhunjhnuwala	5,000	0.01
6.	Mr. Himanshu Gupta	5,000	0.01
7.	Mr. Amit Kumar Gupta	5,000	0.01
8.	Education Media Publishing Group BV	5	Negligible
	Total	**34,728,920**	**100.00**
B.	**Preference Shares**		
1.	S Chand And Company Limited	16,000,000	72.17
2.	Safari Digital Education Initiatives Private Limited	6,170,400	27.83
	Total	**22,170,400**	**100.00**

5. Eurasia Publishing House Private Limited (“EPHL”)

EPHL was incorporated on October 5, 1961 under the laws of India having its registered office at 7361, Ram Nagar, Qutab Road, New Delhi 110 055, India. EPHL is currently engaged in printing and selling of books.

Capital Structure

The capital structure of EPHL is as follows:

	Number of equity shares of ₹ 1,000 each
Authorised capital	200
Issued, subscribed and paid up capital	106

Shareholding Pattern

The shareholding pattern of EPHL is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 1,000 each	Percentage of total equity holding (%)
1.	S Chand And Company Limited	105	99.06
2.	Mr. Himanshu Gupta*	1	0.94
	Total	**106**	**100.00**

** Nominee of S Chand And Company Limited*

6. Indian Progressive Publishing Co Private Limited (“IPPCPL”)

IPPCPL was incorporated on November 24, 1961 under the laws of India having its registered office at 1, Rajendra Dev Road, Kolkata, West Bengal 700 007, India. IPPCPL is currently engaged in business of publishing, printing, sale, purchase, export and import of all type of books and other litrary work (including digital books and contents) and to act as agent and distributor of publishers (both local and foreign) for all types of books and other literary work.

Capital Structure

The capital structure of IPPCPL is as follows:

	Number of equity shares of ₹ 100 each
Authorised Capital	3,000
Issued, subscribed and paid up capital	1,171

Shareholding Pattern

The shareholding pattern of IPPCPL is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 100 each	Percentage of total equity holding (%)
1.	Chhaya Prakashani Private Limited	1,161	99.15
2.	Dinesh Kumar Jhunjhnuwala*	10	0.85
	Total	**1,171**	**100.00**

** Nominee of Chhaya Prakashani Private Limited*

7. New Saraswati House (India) Private Limited ("NSHPL")

NSHPL was incorporated on December 17, 2013 under the laws of India having its registered office at A - 27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi 110 044, India. NSHPL is currently engaged in publishing and selling of books.

Capital Structure

The capital structure of NSHPL is as follows:

	Number of equity shares of ₹ 10 each
Authorised capital	100,000
Issued, subscribed and paid up capital	20,500

Shareholding Pattern

The shareholding pattern of NSHPL is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 10 each	Percentage of total equity holding (%)
1.	S Chand And Company Limited	15,600	76.10
2.	Vikas Publishing House Private Limited	4,900	23.90
	Total	**20,500**	**100.00**

8. Nirja Publishers & Printers Private Limited ("Nirja Publishers")

Nirja Publishers was incorporated on August 31, 1971 under the laws of India having its registered office at 7361 Ram Nagar, Qutab Road, New Delhi 110 055, India. Nirja Publishers is currently engaged in printing and publishing of books.

Capital Structure

The capital structure of Nirja Publishers is as follows:

	Number of equity shares of ₹ 10 each
Authorised capital	100,000
Issued, subscribed and paid up Capital	12,000

Shareholding Pattern

The shareholding pattern of Nirja Publishers is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 10 each	Percentage of total equity holding (%)
1.	S Chand And Company Limited	11,400	95.00
2.	Mr. Dinesh Kumar Jhunjhnuwala*	600	5.00
	Total	**12,000**	**100.00**

* *Nominee of S Chand And Company Limited*

9. Publishing Services Private Limited ("PSPL")

PSPL was incorporated on September 1, 2004 under the laws of India having its registered office at BF – 90, Salt Lake City, Sector – 1, Kolkata, West Bengal 700 064, India. PSPL is engaged in the business of 'DTP' printing, 'DTP' jobs, page making and cover designing of all types of books, journals, tabloids, magazines, bulletins, brochures and periodicals in the form of hard copy, compact disks and e-forms and editing and proof reading all books, journals, tabloids, magazines, bulletins, brochures and periodicals in the form of hard copy, compact discs and e-forms.

Capital Structure

The capital structure of PSPL is as follows:

	Number of equity shares of ₹ 100 each
Authorised Capital	5,000
Issued, subscribed and paid up capital	5,000

Shareholding Pattern

The shareholding pattern of PSPL is as follows:

S. No.	**Name of the Shareholder**	**Number of equity shares ₹ 100 each**	**Percentage of total equity holding (%)**
1.	Chhaya Prakashani Private Limited	4,500	90.00
2.	Himanshu Gupta*	500	10.00
	Total	**5,000**	**100.00**

** Nominee of Chhaya Prakashani Private Limited*

10. S. Chand Edutech Private Limited ("S Chand Edutech")

S. Chand Edutech was incorporated on July 26, 2010 under the laws of India having its registered office at 7361, Ram Nagar, Paharganj, New Delhi 110 055, India. S. Chand Edutech is currently engaged in providing solutions for higher education in colleges, universities and technical institutes.

Capital Structure

The capital structure of S Chand Edutech is as follows:

	Number of equity shares of ₹ 10 each
Authorised Capital	100,000
Issued, subscribed and paid up capital	21,270

Shareholding Pattern

The shareholding pattern of S Chand Edutech is as follows:

S. No.	**Name of the Shareholder**	**Number of equity shares ₹ 10 each**	**Percentage of total equity holding (%)**
1.	Safari Digital Education Initiatives Private Limited	15,640	73.53
2.	Ventureskies FZE**	3,695	17.37
3.	Mr. Illario Lyubenov Astinov	1,835	8.63
4.	Mr. Himanshu Gupta*	100	0.47
	Total	**21,270**	**100.00**

** Nominee of Safari Digital Education Initiatives Private Limited*

***Venktureskies FZE is in the process of transferring its shareholding in S Chand Edutech.*

11. Safari Digital Education Initiatives Private Limited ("Safari Digital")

Safari Digital was incorporated on June 23, 2010 under the laws of India having its registered office at 7361, Ravindra Mansion, Ram Nagar, New Delhi 110 055, India. Safari Digital is currently engaged in providing digital data management services and digital content books to schools and colleges.

Capital Structure

The capital structure of Safari Digital is as follows:

	Number of equity shares of ₹ 10 each
Authorised Capital	45,000,000
Issued, subscribed and paid up capital	44,369,268

Shareholding Pattern

The shareholding pattern of Safari Digital is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 10 each	Percentage of total equity holding (%)
1.	S Chand And Company Limited	26,584,068	59.92
2.	Nirja Publishers & Printers Private Limited	17,785,000	40.08
3.	Vikas Publishing House Private Limited	100	Negligible
4.	Mr. Dinesh Kumar Jhunjhnuwala*	100	Negligible
	Total	**44,369,268**	**100.00**

* *Nominee of S Chand And Company Limited*

12. Vikas Publishing House Private Limited ("VPHPL")

VPHPL was incorporated on August 27, 1971 under the laws of India having its registered office at 7361, Ravindra Mansion, Ram Nagar, New Delhi, 110 055, India. VPHPL is currently engaged in publishing books for schools, colleges and universities.

Capital Structure

The capital structure of VPHPL is as follows:

	Number of equity shares of ₹ 100 each
Authorised Capital	65,000
Issued, subscribed and paid up capital	40,140

Shareholding Pattern

The shareholding pattern of VPHPL is as follows:

S. No.	Name of the Shareholder	Number of equity shares ₹ 10 each	Percentage of total equity holding (%)
1.	S Chand And Company Limited	39,339	98.00
2.	Nirja Publishers & Printers Private Limited	801	2.00
	Total	**40,140**	**100.00**

Interest in our Company

As at the date of this Red Herring Prospectus, none of our Subsidiaries hold Equity Shares in our Company. Furthermore, except as stated in the section "***Related Party Transactions***" on page 205, our Subsidiaries do not have any interest in our Company's business.

Strategic and Financial Partners

As of the date of this Red Herring Prospectus, our Company does not have any strategic or financial partners.

Significant Sales or Purchases

Except as disclosed in the section "***Related Party Transactions***" on page 205, there are no sales or purchases between any of our Subsidiaries and our Company where such sales or purchases exceed in the aggregate 10% of the total sales or purchases of our Company.

Public issue and rights issue

None of our Subsidiaries (i) is listed or has been refused listing on any stock exchange in India, or (ii) has made any public or rights issue (since none of our Subsidiaries is a listed company) in the last three years, or (iii) has become a sick company as specified under SICA or under any equivalent law in any jurisdiction outside India where it is incorporated or (iv) is under winding up proceedings.

Common Pursuits

Certain of our Subsidiaries conduct business similar to those conducted by our Company. Our Company has adopted necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Accumulated profits or losses

None of the Subsidiaries have any accumulated profits/losses that have not been accounted for by the Company.

OUR MANAGEMENT

Board of Directors

Under the Articles of Association, our Company is required to have at least 3 (three) and not more than 15 (fifteen) Directors. Our Company, as on the date of this Red Herring Prospectus, has 8 (eight) Directors, including 3 (three) Independent Directors. The present composition of our Board which includes a non-executive director as the Chairman and two women Directors is in compliance with the provisions of the Companies Act and Listing Regulations.

The following table sets forth details regarding the Board of Directors as on the date of this Red Herring Prospectus:

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age (in years)	Other Directorships
Mr. Desh Raj Dogra *Address*: Flat No. 402. Somerset Building, Hiranandani Gardens, Powai, Mumbai, India – 400 076 *Designation*: Chairman and Independent Director *Occupation*: Professional *Nationality*: Indian *Tenure*: 5 (five) years with effect from November 10, 2016 *DIN*: 00226775	62	Indian companies • AMPL Cleantech Private Limited • Asirvad Micro Finance Limited • Brickwork Risk & Investment Management Solutions Private Limited • G R Infraprojects Limited • Gandhar Oil Refinery (India) Limited • ITI Mutual Fund Trustee Private Limited • Mercator Limited • SK Restaurants Private Limited • Vikas Publishing House Private Limited • Welspun Corp Limited Foreign companies NIL
Mr. Himanshu Gupta *Address*: 89, Old Ishwar Nagar, Panchwati, Okhla More, Delhi, India – 110 065 *Designation*: Managing Director *Occupation*: Business *Nationality*: Indian *Tenure*: 5 (five) years with effect from May 22, 2014 *DIN*: 00054015	38	Indian companies • Amenity Sports Academy Private Limited • Arch Papier-Mache Private Limited • Chhaya Prakashani Private Limited • DS Digital Private Limited • New Saraswati House (India) Private Limited • Nirja Publishers & Printers Private Limited • Parampara Constructions Private Limited • S. Chand Edutech Private Limited • S. Chand Hotels Private Limited • Shaara Hospitalities Private Limited • Vikas Publishing House Private Limited Foreign companies NIL
Mr. Dinesh Kumar Jhunjhnuwala *Address*: B-414 Ground Floor, New Friends Colony, New Delhi, India – 110 025 *Designation*: Executive Director *Occupation*: Business	56	Indian companies • Arch Papier-Mache Private Limited • Chhaya Prakashani Private Limited • DS Digital Private Limited • New Saraswati House (India) Private Limited • Nirja Publishers & Printers Private Limited • S. Chand Edutech Private Limited • S Chand Properties Private Limited

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age (in years)	Other Directorships
Nationality: Indian *Tenure*: 5 (five) years with effect from March 28, 2014 *DIN*: 00282988		• Vikas Publishing House Private Limited Foreign companies NIL
Mr. Gaurav Kumar Jhunjhnuwala *Address*: B-414 Ground Floor, New Friends Colony, New Delhi, India – 110 025 *Designation*: Non-Executive Director *Occupation*: Business *Nationality*: Indian *Tenure*: Appointed with effect from April 11, 2011 *DIN*: 03518763	30	Indian companies • Gyankosh Solutions Private Limited • S Chand Properties Private Limited • Vikas Publishing House Private Limited Foreign companies NIL
Ms. Savita Gupta *Address*: 89, Old Ishwar Nagar, Panchwati, Okhla More, Delhi, India – 110 065 *Designation*: Non-Executive Director *Occupation*: Professional *Nationality*: Indian *Tenure*: 5 (five) years with effect from March 28, 2014 *DIN*: 00053988	67	Indian companies • Arch Papier-Mache Private Limited • HMR Sports Ventures Private Limited • Nirja Publishers & Printers Private Limited • S Chand Hotels Private Limited • SC Hotel Tourist Deluxe Private Limited • Shaara Hospitalities Private Limited • Vikas Publishing House Private Limited Foreign companies NIL
Mr. Deep Mishra *Address*: 12th Floor, Fortune Heights, 29th Road, Opposite H & M Towers, Bandra (West), Mumbai, Maharashtra, India - 400 050 *Designation*: Non-Executive and nominee Director *Occupation*: Professional *Nationality*: Indian *Tenure*: Appointed with effect from September 27, 2012 *DIN*: 02249582	44	Indian companies • Ascent Health And Wellness Solutions Private Limited • DS Digital Private Limited • Energy Infratech Private Limited • Faces Cosmetics India Private Limited • Indfrag Limited • Iris River Fragrances Private Limited • Modern Food Enterprises Private Limited • Omniactive Health Technologies Limited • Ozone Secutech Private Limited (formerly known as Ozone Glass Private Limited) • Ozone Overseas Private Limited • Ritika Private Limited • Rubicon Research Private Limited • Vikas Publishing House Private Limited Foreign companies NIL
Ms. Archana Capoor	58	Indian companies

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age (in years)	Other Directorships
Address: B-11, Mayfair Garden, August Kranti Marg, Hauz Khas, Delhi, India – 110 016 *Designation*: Independent Director *Occupation*: Professional *Nationality*: Indian *Tenure*: 5 (five) years with effect from November 10, 2016 *DIN*: 01204170		• Ansal Properties And Infrastructure Limited • Birla Cable Limited • Capoor Technologies Private Limited • EMCO Limited • Jet Lite (India) Limited • Maral Overseas Limited • New Saraswati House (India) Private Limited • SPML Infra Limited Foreign companies NIL
Mr. Sanjay Bhandarkar *Address*: 32, Moonreach Apartments, Prabha Nagar, P Balu Marg, Prabhadevi, Mumbai, Maharashtra, India - 400 028 *Designation*: Independent Director *Occupation*: Professional *Nationality*: Indian *Tenure*: 5 (five) years with effect from November 10, 2016 *DIN*: 01260274	49	Indian companies • Chhaya Prakashani Private Limited • Newage Power Company Private Limited • The Tata Power Company Limited • Welspun Renewables Energy Private Limited Foreign companies NIL

Except for Mr. Himanshu Gupta, Ms. Savita Gupta, Mr. Dinesh Kumar Jhunjhnuwala, and Mr. Gaurav Kumar Jhunjhnuwala, none of our Directors are related to each other. For further details on the nature of their relationship, see "***Our Promoters***" on page 196.

Brief profiles of our Directors

Mr. Desh Raj Dogra

Mr. Desh Raj Dogra, aged 62 years, is an Independent Director of our Company. He holds a bachelor's degree and a master's degree in science (agriculture), both from the University of Himachal Pradesh. He also holds a master's in business administration from the University of Delhi. He has over 38 years of experience in financial sector and credit administration. He has been associated with our Company since 2016. He was appointed as an Independent Director of our Company on November 10, 2016 and the Chairman of our Board on November 30, 2016.

Mr. Himanshu Gupta

Mr. Himanshu Gupta, aged 38 years, is the Managing Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He has been associated with our Company since 2000 and accordingly, has over 15 years of experience in the knowledge products and services industry. He was appointed as the Managing Director on July 1, 2007. He was the vice president (south) of the Federation of Indian Publishers for the year 2012-2013. He is a recipient of 'Young Publisher Award' by the Federation of Educational Publishers in India for the year 2011.

Mr. Dinesh Kumar Jhunjhnuwala

Mr. Dinesh Kumar Jhunjhnuwala, aged 56 years, is an Executive Director of our Company. He has received basic education. He has been associated with our Company since 2004 and accordingly, has over 11 years of experience in the knowledge products and services industry. He was appointed as an Executive Director on July 1, 2011.

Mr. Gaurav Kumar Jhunjhnuwala

Mr. Gaurav Kumar Jhunjhnuwala, aged 30 years, is a Non-Executive Director of our Company. He has received basic education and has over 5 years of experience in the knowledge products and services industry. He has been associated with our Company since 2011. He was appointed as a Non-Executive Director on May 20, 2016.

Ms. Savita Gupta

Ms. Savita Gupta, aged 67 years, is a Non-Executive Director of our Company. She holds a degree in bachelor's of arts and a degree in masters of arts in english literature, both from Chaudhary Charan Singh University, Meerut, Uttar Pradesh. She has been associated with our Company since 1989 and accordingly, has over 25 years of experience in the knowledge products and services industry. She was appointed as a Non-Executive Director on May 20, 2016.

Mr. Deep Mishra

Mr. Deep Mishra, aged 44 years, is a Non-Executive and nominee Director of our Company. He holds a degree in bachelor of technology in mechanical engineering from the Indian Institute of Technology, Kanpur and a post graduate diploma in management from the Indian Institute of Management, Calcutta. He has 20 years of experience in the financial sector. He was appointed as a nominee of Everstone on the Board on September 27, 2012. He is currently the Managing Director (Private Equity) at Everstone Capital Advisors Private Limited.

Ms. Archana Capoor

Ms. Archana Capoor, aged 58 years, is an Independent Director of our Company. She holds a degree in bachelor's of science and a degree in masters of business administration, both from the University of Allahabad. She has 34 years of experience across various sectors including tourism and housing sector. She was appointed as an Independent Director of our Company on November 10, 2016.

Mr. Sanjay Bhandarkar

Mr. Sanjay Bhandarkar, aged 49 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Pune and a post graduate diploma in management from XLRI, Jamshedpur. He has 26 years of experience in the financial sector. He was appointed as an Independent Director of our Company on November 10, 2016.

Terms of appointment of the Executive Directors

Mr. Himanshu Gupta

Mr. Himanshu Gupta was appointed as a Managing Director of our Company pursuant to a Board resolution dated May 22, 2014 and a Shareholders' resolution dated June 16, 2014 for a period of 5 (five) years with effect from May 22, 2014. Pursuant to the Board resolution dated May 20, 2016 and with effect from June 1, 2016, Mr. Himanshu Gupta is entitled to a basic salary of ₹ 10.2 million per annum and perquisites up to 10% of his basic salary. In addition, he is also entitled to a commission of up to 1% of net profit of the Company. This remuneration of Mr. Himanshu Gupta is within the ceiling of 5% of the net profit of the Company during the year. Mr. Himanshu Gupta received a remuneration of ₹ 3.6 million in the Financial Year 2016.

Mr. Dinesh Kumar Jhunjhnuwala

Mr. Dinesh Kumar Jhunjhnuwala was appointed as an Executive Director of our Company pursuant to a Board resolution dated March 28, 2014 for a period of 5 (five) years with effect from March 28, 2014. Pursuant to the

Board resolution dated May 20, 2016 and with effect from June 1, 2016, Mr. Dinesh Kumar Jhunjhnuwala is entitled to a basic salary of ₹ 10.2 million per annum and perquisites up to 10% of his basic salary. In addition, he is also entitled to a commission upto 1% of net profit of the Company. This remuneration of Mr. Dinesh Kumar Jhunjhnuwala is subject to a ceiling of 5% of the net profit of the Company during the year. Mr. Dinesh Kumar Jhunjhnuwala received a remuneration of ₹ 3.6 million in the Financial Year 2016.

With respect to our Managing Director and our Executive Directors, there is no contingent or deferred payment received for the Financial Year 2016.

Payment or benefit to Directors of our Company

The remuneration paid to our Directors in Financial Year 2016 is as follows:

1. Remuneration to Executive Directors:

The aggregate value of the remuneration paid to the Executive Directors in the Financial Year 2016 is as follows:

S. No.	Name of the Director	Remuneration (In ₹ million)
1.	Mr. Himanshu Gupta	3.60
2.	Mr. Dinesh Kumar Jhunjhnuwala	3.60
3.	Mr. Gaurav Kumar Jhunjhnuwala*	1.20
4.	Ms. Savita Gupta*	2.40
5.	Ms. Nirmala Gupta**	1.20
6.	Ms. Neerja Jhunjhnuwala**	1.20
7.	Ms. Ankita Gupta**	1.20

** Pursuant to a Board resolution dated May 20, 2016, Mr. Gaurav Kumar Jhunjhnuwala and Ms. Savita Gupta have been designated as Non-Executive Directors on the Board.*

***Pursuant to a Board resolution dated May 20, 2016, Ms. Nirmala Gupta, Ms. Neerja Jhunjhnuwala and Ms. Ankita Gupta have resigned from the Board.*

2. Remuneration to Non-Executive Directors:

Our Board has, pursuant to its resolution dated May 20, 2016, fixed the sitting fee for our Non-Executive Directors of our Board at ₹ 50,000 for attending each meeting of the Board and at ₹ 25,000 for attending each meeting of the committee(s) of the Board and of shareholders of our Company. Our Company has not paid any sitting fees or any other remuneration to the Non-Executive Directors of our Company in the Financial Year 2016.

3. Remuneration paid or payable from Subsidiaries/Associate:

Details of the remuneration paid to our Directors by our Subsidiaries/Associate during Financial Year 2016 are as follows:

S. No.	Name of the Subsidiary/Associate	Name of Director	Remuneration (In ₹ *million*)
1.	Vikas Publishing House Private Limited	Mr. Himanshu Gupta	2.42
		Mr. Dinesh Kumar Jhunjhnuwala	2.42
		Ms. Neerja Jhunjhnuwala*	1.70
		Ms. Ankita Gupta*	1.95
2.	Blackie & Son (Calcutta) Private Limited	Mr. Himanshu Gupta	1.50
3.	Eurasia Publishing House Private Limited	Mr. Dinesh Kumar Jhunjhnuwala	2.25
		Ms. Savita Gupta	4.80
4.	Nirja Publishers & Printers Private Limited	Ms. Nirmala Gupta*	4.80
		Mr. Himanshu Gupta	1.50
		Mr. Gaurav Kumar Jhunjhnuwala	1.20

**Pursuant to a Board resolution dated May 20, 2016, Ms. Nirmala Gupta, Ms. Neerja Jhunjhnuwala and Ms. Ankita Gupta have resigned from the Board.*

Additionally, all our Directors are entitled to reimbursement of travelling and out of pocket expenses incurred by them in the normal course of our business.

Except as disclosed in the section "***Related Party Transactions***", none of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company.

None of the Directors is a party to any bonus or profits sharing plan of our Company.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except for Mr. Deep Mishra, who is a Non-Executive Director, nominated by Everstone, there are no arrangements or understandings with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board. For further details, see "***History and Certain Corporate Matters***" on page 157.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of filing this Red Herring Prospectus.

Shareholding of Directors in our Company

The shareholding of our Directors as on the date of filing this Red Herring Prospectus is set forth below:

S. No.	Name of Director	Number of Equity Shares held	Percentage Shareholding
1.	Mr. Himanshu Gupta	6,167,752	20.67%
2.	Mr. Dinesh Kumar Jhunjhnuwala	4,064,820	13.62%
3.	Mr. Gaurav Kumar Jhunjhnuwala	606,800	2.03%
4.	Ms. Savita Gupta	1,312,316	4.40%
5.	Mr. Deep Mishra	Nil	Nil
6.	Ms. Archana Capoor	Nil	Nil
7.	Mr. Desh Raj Dogra	Nil	Nil
8.	Mr. Sanjay Bhandarkar	Nil	Nil

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiaries and Associate

The shareholding of our Directors in our Subsidiaries and Associate, as applicable, is set forth herein below:

Name of Director	Name of Subsidiary/Associate	No. of Shares held	Percentage Shareholding
Mr. Himanshu Gupta	DS Digital Private Limited	5,000	0.01
	S. Chand Edutech Private Limited	100	0.47
	Blackie & Son (Calcutta) Private Limited	1	0.67
	Eurasia Publishing House Private Limited	1	0.94
	Publishing Services Private Limited	500	10.00
Ms. Savita Gupta	DS Digital Private Limited	5,000	0.01
Mr. Dinesh Kumar Jhunjhnuwala	DS Digital Private Limited	5,000	0.01
	Nirja Publishers & Printers Private Limited	600	5.00
	Safari Digital Education Initiatives Private Limited	100	Negligible
	Indian Progressive Publishing Co Private Limited	10	0.85

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently holds any office or place of profit in our Company.

Directorships of Directors in listed companies

None of our Directors is or has been on the board of any listed company whose shares have been/were suspended from being traded on Stock Exchanges, during the five years prior to the date of filing this Red Herring Prospectus.

None of our Directors is or was a director of a company that has been suspended from any stock exchange due to non-compliance with listing requirements.

None of our Directors has been or is a director on the board of any listed companies which have been/were delisted from any stock exchange.

See "***Other Regulatory and Statutory Disclosures***" on page 483 for additional confirmations in relation to our Directors.

Interest of Directors

Our Independent Directors may be interested to the extent of sitting fees payable to them for attending meetings of the Board of Directors, shareholders of our Company, or a committee thereof. All our Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association. Further, our Executive Directors are interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be interested in the Equity Shares held by them or that may be subscribed by or Allotted to them or to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividends payable to them and other distributions in respect of the Equity Shares.

Except for Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, our Directors have no interest in the promotion of our Company other than in the ordinary course of business.

Further, except as disclosed below, our Directors have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Red Herring Prospectus.

Our Company entered into a lease agreement dated April 1, 2012 as renewed by an addendum dated April 1, 2015, with one of our Directors, Ms. Savita Gupta for taking on lease the property situated at 7361, Qutab Road, Ram Nagar New Delhi 110 055. Additionally, our Company entered into a lease agreement dated April 1, 2013 with Ms. Savita Gupta, as amended by an addendum dated April 1, 2016 for taking on lease the property situated at Khata No. 47, Hal Plot No. 55, Badambadi, Cuttack, India.

Except as stated in the section "***Related Party Transactions***" on page 205 and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

No loans have been availed by our Directors or the key management personnel from our Company.

Changes in the Board in the last three years

Name	Date of Appointment	Date of Cessation	Reason
Mr. Mayank Tiwari	August 1, 2013	December 22, 2014	Resignation
Mr. Vishal Sharma	December 22, 2014	November 23, 2016	Resignation
Ms. Neerja Jhunjhnuwala	December 11, 2004	May 20, 2016	Resignation
Ms. Ankita Gupta	December 11, 2004	May 20, 2016	Resignation
Ms. Nirmala Gupta	October 20, 1989	May 20, 2016	Resignation
Mr. Desh Raj Dogra	November 10, 2016	-	Appointment
Ms. Archana Capoor	November 10, 2016	-	Appointment
Mr. Sanjay Bhandarkar	November 10, 2016	-	Appointment

Borrowing Powers of our Board

In accordance with the Articles of Association, our Board may, from time to time, at its discretion, by way of a resolution passed at its meeting, raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company.

Our Company, by way of a special resolution dated August 31, 2016, authorised our Board to borrow, from time to time, any sum or sums of monies, whether secured or unsecured, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up Equity Share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money or monies so borrowed by the Board shall not, at any time, exceed the limit of ₹ 3,250,000,000.

Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable laws, specifically the Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees of our Board duly constituted by our Board.

Our Board is constituted in compliance with the Companies Act and the Listing Regulations. The Board of Directors functions as a full board. Our Company's executive management provides the Board detailed reports on its performance periodically.

Currently, our Board has 8 (eight) Directors, of which the Chairman is a Non-Executive Director. In compliance with the requirements of Regulation 17 of the Listing Regulations, we have 3 (three) Independent Directors, 2 (two) Executive Directors, and 3 (three) Non-Executive Directors on our Board. Our Board includes 2 (two) women Directors as on the date of this Red Herring Prospectus. In compliance with provisions of the Companies Act and the Listing Regulations, at least two-thirds of our Directors, other than our Independent Directors, are liable to retire by rotation.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements under the Listing Regulations and the Companies Act, 2013.

I. Committees of the Board

A. Audit Committee

The members of the Audit Committee are:

Sr.No.	Name of Director	Committee Designation
1.	Mr. Desh Raj Dogra (Independent Director)	Chairman
2.	Ms. Archana Capoor (Independent Director)	Member
3.	Mr. Deep Mishra (Non-Executive and nominee Director)	Member

The audit committee was initially constituted by a meeting of the Board of Directors held on November 30, 2013 as the Audit Committee and thereafter reconstituted by a meeting of the Board of Directors held on November 30, 2016. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The terms of reference of the Audit Committee are:

- To consider internal audit reports, review internal control and systems and provide guidance and direction to internal audit function. To review the corporate accounting and reporting practices and also consider changes in accounting policy, if any. Review, with the management, the quarterly/half yearly financials statements before submission to the Board for approval;

- To have an oversight of our Company's financial reporting process and the disclosure of its financial information so as to ensure that the financial statement is correct, sufficient and credible;

- To review with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

    - Matters to be included in the director's responsibility statement in the Board's Report;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Qualifications in the draft audit report, if any; and
    - Disclosure of any related party transactions.

- To review, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit. To have discussion with internal auditors regarding any significant findings and follow up there on;

- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- To have discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders and shareholders (in case of non-payment of declared dividends);

- To mandatorily review the following information:

    - Management discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions (as defined by the audit committee) submitted by the management;
    - Management letters/letters of internal control weaknesses issued by the statutory auditors;
    - Internal audit reports relating to internal control weaknesses;
    - Review of appointment, removal, remuneration and terms of remuneration of the auditors;
    - Statement of deviations:
        - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, shall be submitted to the relevant stock exchanges in terms of Regulation 32(1) of the Listing Regulations; and
        - An annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, in terms of Regulation 32(7) of the Listing Regulations.

- Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- Examination of the financial statement and the auditor's report thereon;

- Approval or any subsequent modification of transactions of our Company with related parties;

- Scrutiny of inter-corporate loans and investments;

- Valuation of undertakings or assets of our Company, wherever it is necessary;

- Evaluation of internal financial control and risk management systems;

- Monitoring the end use of funds raised through public offers and related matters;

- Overseeing of the vigil mechanism along with making provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- Carry out additional functions as is contained in the Listing Regulations or other regulatory requirements applicable to our Company or as contained in the terms of reference;

- Recommendation for appointment, remuneration and terms of appointment of the statutory auditors;

- Review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter; and

- Approval of appointment of Chief Financial Officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

The Audit Committee met one time in Financial Year 2016.

B. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Sr.No.	Name of Director	Committee Designation
1.	Ms. Archana Capoor (Independent Director)	Chairperson
2.	Mr. Desh Raj Dogra (Independent Director)	Member
3.	Mr. Deep Mishra (Non-Executive and nominee Director)	Member

The Nomination and Remuneration Committee was initially constituted by a meeting of the Board of Directors held on November 30, 2013 and thereby reconstituted by a meeting of the Board held on November 30, 2016. The scope and function of the Nomination, Remuneration and Compensation Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The terms of reference of the Nomination, Remuneration and Compensation Committee are:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;

- To carry out evaluation of every Director's performance;

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy relating to the remuneration of the Directors, KMPs and other employees such that its policies ensure that:

    - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
    - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the workings of the company and its goal.

- To formulate the criteria for evaluation of Independent Directors and the Board;

- To recommend to the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

- To devise a policy on Board diversity;

- To recommend/review remuneration of the Managing Director and Executive Director based on their performance and defined assessment criteria;

- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;

- To carry out administration and superintendence of the employee stock option scheme or employees benefit schemes as approved by Board of the Company; and

- To formulate the detailed terms and conditions of such schemes, frame suitable policies and procedures to ensure that there is no violation of applicable laws.

The Nomination and Remuneration Committee did not meet in Financial Year 2016.

C. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

Sr.No.	Name of Director	Committee Designation
1.	Ms. Savita Gupta (Non-Executive Director)	Chairperson
2.	Mr. Himanshu Gupta (Managing Director)	Member
3.	Mr. Deep Mishra (Non-Executive and nominee Director)	Member

The shareholders' grievance committee was constituted by a meeting of the Board of Directors held on November 30, 2016 as the Stakeholders' Relationship Committee. The scope and function of the Stakeholders' Relationship Committee is in accordance with the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee are:

- Consider and resolve the grievances of security holders of our Company including investors' complaints;

- Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;

- Non-receipt of declared dividends, balance sheets of our Company, etc.;

- Carrying out any other function contained in the Listing Regulations as and when amended from time to time;

- Ensure effective implementation and monitoring of framework devised to avoid insider trading and abusive self-dealing; and

- All other matters incidental or related to shares, debentures and other securities of our Company.

The Stakeholders' Relationship Committee did not meet in Financial Year 2016.

D. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility ("**CSR**") Committee are:

Sr.No.	Name of Director	Committee Designation
1.	Mr. Desh Raj Dogra (Independent Director)	Chairman
2.	Mr. Himanshu Gupta (Managing Director)	Member
3.	Mr. Dinesh Kumar Jhunjhnuwala (Executive Director)	Member
4.	Mr. Deep Mishra (Non-Executive and nominee Director)	Member

The CSR Committee was initially constituted by a meeting of the Board of Directors held on February 26, 2015 and thereafter re-constituted on November 30, 2016. The scope and function of the CSR Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms of reference of the CSR Committee are:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII to the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to above;
- To monitor the CSR policy of our Company from time to time; and
- To undertake any other acts, deeds and things as may be delegated by the Board from time to time in relation to the CSR of our Company.

The CSR Committee met two times in Financial Year 2016.

E. IPO Committee

The members of the IPO Committee are:

Sr.No.	Name of Director	Committee Designation
1.	Mr. Himanshu Gupta (Managing Director)	Member
2.	Mr. Dinesh Kumar Jhunjhnuwala (Executive Director)	Member
3.	Mr. Deep Mishra (Non-Executive and nominee Director)	Member
4.	Mr. Jagdeep Singh	Company Secretary
5.	Mr. Saurabh Mittal (Chief Financial Officer)	Invitee
6.	Mr. Samir Khurana	Invitee
7.	Ms. Bhavana Thakur	Invitee

The IPO Committee was constituted by a meeting of the Board of Directors held on December 30, 2015 and thereafter reconstituted on November 30, 2016.

The terms of reference of the IPO Committee are:

- To decide the terms and conditions of the Offer, finalization and filing of the Draft Red Herring Prospectus, this Red Herring Prospectus and Prospectus with SEBI, the Stock Exchanges, RoC and other regulatory bodies as may be required;
- Determining the size of the Offer, including the number of Equity Shares to be finally Offered/Allotted/sold by our Company and each selling shareholder and any revision thereof;
- To appoint and enter into arrangements with the BRLMs, Underwriters, Syndicate Member, brokers to the Offer, Escrow Collection Bank, Refund Bank, Registrar to the Offer, legal advisors, advertising agency(ies) and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment, including but not limited to execution of the mandate letter with the BRLMs, negotiation, finalisation and execution of the offer agreement with the BRLMs, etc.;

- Determining and finalizing the bid/offer opening date and closing date (including the bid/offer closing date applicable to the Qualified Institutional Buyers and the Anchor Investor Bid date), or any extensions thereof, approving and finalizing the Basis of Allocation and deciding on allocation of the Equity Shares to all the categories of investors;

- Determining and finalizing the price band (including revisions thereof, if any) and the minimum lot size for the purpose of bidding;

- Determining the price at which the Equity Shares are offered, issued and transferred to Bidders in the Offer in accordance with applicable laws along with discounts, if any and allotting Equity Shares pursuant to Basis of Allocation to successful Bidders;

- To negotiate, finalise, settle, execute and deliver or arrange the delivery of the syndicate agreement, underwriting agreement, escrow agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever with the Registrar to the Offer, legal advisors, Auditors, Stock Exchanges, BRLMs and any other agencies/ intermediaries in connection with the Offer with the power to authorise one or more officers of our Company to negotiate, execute and deliver all or any of the aforesaid documents;

- To finalise, settle, approve and adopt the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, for the issue of Equity Shares and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/ corrections/ modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities;

- To decide on withdrawal of the Draft Red Herring Prospectus (including for re-filing purposes), withdrawal of this Red Herring Prospectus or deciding to not proceed with the Offer at any stage in accordance with applicable laws;

- To make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI, the FIPB, the relevant RoC or any other statutory or governmental authorities in connection with the Offer and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus;

- To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the listing agreement to be entered into by our Company with the Stock Exchanges;

- To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under applicable laws and the listing agreement to be entered into by our Company with the Stock Exchanges;

- Open and operate bank account(s) of our Company in terms of the escrow agreement for handling of refunds for the Offer and to authorise one or more Directors/officers of our Company to execute all documents/deeds as may be necessary in this regard;

- Open and operate bank accounts of our Company in terms of Section 40(3) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and to authorise one or more Directors/officers of our Company to execute all documents/deeds as may be necessary in this regard;

- Issue receipts/allotment advices/confirmations of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof in accordance with market practices and regulations, including listing on one or more Stock Exchanges,

with power to authorise one or more Directors/officers of our Company to sign all or any of the aforestated documents;

- Make applications to one or more recognised stock exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s);

- Do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, RTAs and such other agencies, as may be required in this connection with power to authorise one or more officers of our Company to execute all or any of the aforesaid documents;

- To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

- Authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

- To settle any question, difficulty or doubt that may arise in connection with the Offer including the Offer and Allotment of the Equity Shares as aforesaid and to further delegate the powers conferred hereunder subject to such restrictions and limitations as it may deem fit and in the interest of our Company and to the extent allowed under applicable laws and to do all such acts and deeds in connection therewith and incidental thereto, as the Committee may in its absolute discretion deem fit; and

- Do all such acts, deeds, matters and things and settle all questions, difficulties or doubts that may arise in relation to the Offer, and execute all such other agreements, documents, certificate(s), undertaking(s) etc. as may, in its absolute discretion, deem necessary, expedient, incidental, ancillary or desirable for the purpose of the Offer and allotment of the Equity Shares pursuant to the Offer, including the matters set forth hereinabove.

The IPO Committee did not meet in Financial Year 2016.

F. Subsidiaries and Joint Venture Governance Committee

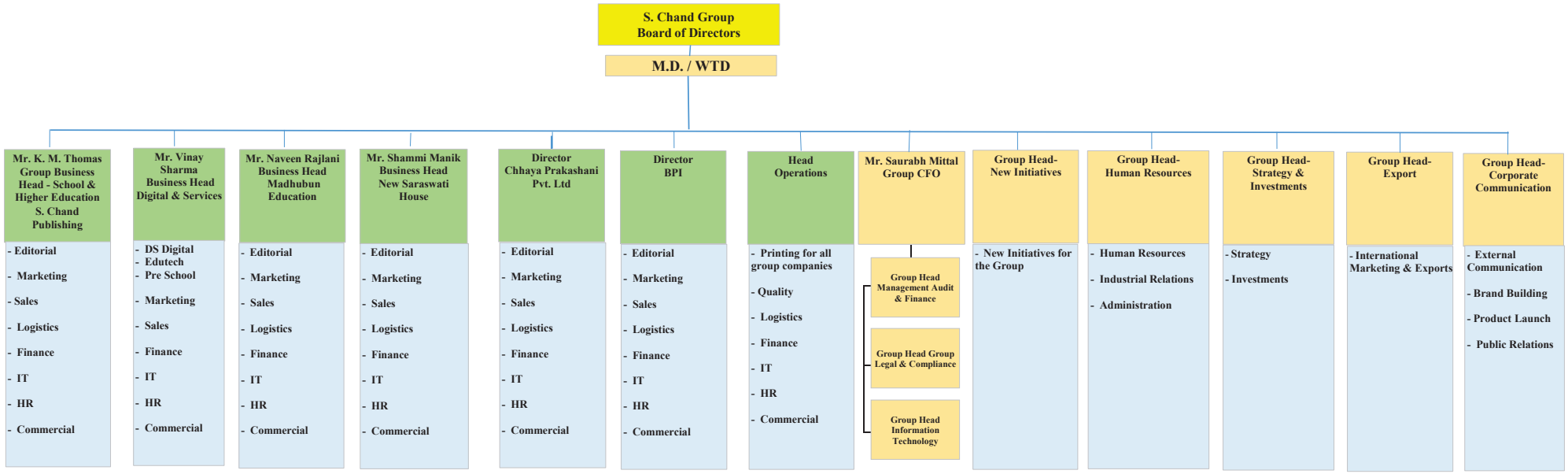
Our Company has constituted by a meeting of the Board of Directors held on November 30, 2016, a Subsidiaries and Joint Venture Governance Committee. The members of the committee are:

Sr.No.	Name of Director	Committee Designation
1.	Mr. Desh Raj Dogra (Non-Executive Director)	Chairman
2.	Mr. Himanshu Gupta (Managing Director)	Member
3.	Mr. Dinesh Kumar Jhunjhnuwala (Executive Director)	Member
4.	Mr. Deep Mishra (Non-Executive and nominee Director)	Member

G. Administrative Committee

Our Company has constituted by a meeting of the Board of Directors held on November 4, 2015, an Administrative Committee. The members of the committee are:

Sr.No.	Name of Director	Committee Designation
1.	Mr. Himanshu Gupta (Managing Director)	Member
2.	Mr. Dinesh Kumar Jhunjhnuwala (Executive Director)	Member
3.	Mr. Gaurav Kumar Jhunjhnuwala (Non-Executive Director)	Member
4.	Mr. Saurabh Mittal (Chief Financial Officer)	Permanent Invitee
5.	Mr. Jagdeep Singh (Company Secretary)	Permanent Invitee


S. Chand Group
Board of Directors
M.D. / WTD
Mr. K. M. Thomas
Group Business Head - School & Higher Education
S. Chand Publishing
- Editorial
- Marketing
- Sales
- Logistics
- Finance
- IT
- HR
- Commercial
Mr. Vinay Sharma
Business Head
Digital & Services
- DS Digital
- Edutech
- Pre School
- Marketing
- Sales
- Finance
- IT
- HR
- Commercial
Mr. Naveen Rajlani
Business Head
Madhubun Education
- Editorial
- Marketing
- Sales
- Logistics
- Finance
- IT
- HR
- Commercial
Mr. Shammi Manik
Business Head
New Saraswati House
- Editorial
- Marketing
- Sales
- Logistics
- Finance
- IT
- HR
- Commercial
Director
Chhaya Prakashani Pvt. Ltd
- Editorial
- Marketing
- Sales
- Logistics
- Finance
- IT
- HR
- Commercial
Director
BPI
- Editorial
- Marketing
- Sales
- Logistics
- Finance
- IT
- HR
- Commercial
Head
Operations
- Printing for all group companies
- Quality
- Logistics
- Finance
- IT
- HR
- Commercial
Mr. Saurabh Mittal
Group CFO
Group Head Management Audit & Finance
Group Head Group Legal & Compliance
Group Head Information Technology
Group Head-
New Initiatives
- New Initiatives for the Group
Group Head-
Human Resources
- Human Resources
- Industrial Relations
- Administration
Group Head-
Strategy & Investments
- Strategy
- Investments
Group Head-
Export
- International Marketing & Exports
Group Head-
Corporate Communication
- External Communication
- Brand Building
- Product Launch
- Public Relations

Key Management Personnel

The details of the Key Management Personnel other than our Executive Directors, as on the date of this Red Herring Prospectus, are set out below.

Mr. Saurabh Mittal, aged 43 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He is a fellow member of the Institute of Chartered Accountants of India. He has approximately 10 years of experience in the knowledge products and services industry. He has been associated with our Company since May, 2006. He was appointed as the Head of Finance and Accounts on May 1, 2006. The remuneration paid to Mr. Saurabh Mittal for Financial Year 2016 was ₹ 7.95 million.

Mr. Jagdeep Singh, aged 41 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce from Ruhelkhand University, Bareilly, a bachelor's degree in law from the University of Delhi and is also an associate member of the Institute of Company Secretaries of India. He has 16 years of experience handling legal and secretarial compliances across various industries. He has been associated with our Company since December, 2013. He was appointed as the Head of Legal and Secretarial Compliances on December 20, 2013. The remuneration paid to Mr. Jagdeep Singh for Financial Year 2016 was ₹ 4.00 million.

Mr. K. M. Thomas, aged 56 years, is the Group Business Head of School and Higher Education of our Company. He holds a bachelor's degree in commerce from the University of Calcutta. He has 36 years of experience in the knowledge products and services industry. He has been associated with our Company since August, 2014. He was appointed as the Business Head of School Education on August 1, 2014 and redesignated as Group Business Head of School and Higher Education in 2016. The remuneration paid to Mr. K. M. Thomas for Financial Year 2016 was ₹ 6.80 million.

Mr. Naveen Rajlani, aged 44 years, is the Business Head of Madhuban Educational Books at VPHPL. He holds a bachelor's degree in arts from Gorakhpur University, Gorakhpur and also pursued management development program at the Indian Institute of Management, Lucknow. He has 22 years of experience in the knowledge products and services industry. He has been associated with VPHPL since July, 2015. He was appointed as Business Head of Madhuban Educational Books at VPHPL on July 20, 2015. The remuneration paid to Mr. Naveen Rajlani for Financial Year 2016 was ₹ 6.42 million.

Mr. Vinay Sharma, aged 43 years, is the Business Head of Safari Digital. He holds a bachelor's degree in engineering from Punjab University and a post graduate diploma in management from the Indian Institute of Management, Kolkata. He has 20 years of experience in sales and marketing across various industries. He has been associated with our Company since July 8, 2013. He was appointed as senior vice president on July 8, 2013. The remuneration paid to Mr. Vinay Sharma for Financial Year 2016 was ₹ 5.70 million.

Mr. Shammi Manik, aged 51 years, is the Business Head of NSHPL. He holds a bachelor's degree in commerce from the University of Delhi. He has 30 years of experience in the knowledge products and services industry. He has been associated with NSHPL since April, 2014. He was appointed as Business Head of NSHPL on April 1, 2014. The remuneration paid to Mr. Shammi Manik for Financial Year 2016 was ₹ 7.72 million.

None of our Key Management Personnel are related to each other. For further details on the nature of their relationship, see "***Our Promoters***" on page 196. Further, none of our Key Management Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

All our Key Management Personnel are permanent employees of our Company or Subsidiaries.

Shareholding of Key Management Personnel

Except the shareholding of our Executive Directors disclosed under the section "***Our Management - Shareholding of Directors in our Company***" on page 184, our Key Management Personnel do not hold any Equity Shares.

Bonus or profit sharing plan of the Key Management Personnel

Except as disclosed in this section "***Our Management - Payment or benefit to officers of our Company***", our Company does not have any bonus or profit sharing plan for the Key Management Personnel.

Employee stock option plans

For details of our Company's employee stock option plans, including employee stock options granted to the Key Management Personnel, see "***Capital Structure – ESOP 2012***" on page 95.

Interests of Key Management Personnel

Except for the interests of our Executive Directors disclosed under the section "***Our Management - Interest of Directors***" on page 185 and stock options granted to certain other Key Management Personnel under ESOP 2012 disclosed under the section "***Capital Structure - ESOP 2012*** " on page 95, the Key Management Personnel of our Company, do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and the reimbursement of expenses incurred by them during the ordinary course of business and Equity Shares held by them, if any. The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, to the extent of any Equity Shares held by them.

Changes in the Key Management Personnel

The changes in our key management personnel in the last three years prior to the date of filing of this Red Herring Prospectus are as follows:

S. No.	Name	Date of appointment	Date of cessation	Reason
1.	Mr. Saurabh Mittal	May 22, 2014	-	Appointed as Chief Financial Officer
2.	Mr. K. M. Thomas	August 1, 2014	-	Appointed as Business Head of School Education
3.	Mr. Amit Gupta	April 1, 2005	March 31, 2015	Resigned as executive director
4.	Mr. Navin Joshi	November 1, 1976	March 31, 2015	Retired as Business Head of Higher Education

Payment or benefit to officers of our Company

Except for the remuneration payable to the officers of our Company as per our incentive schemes, as adopted from time to time, no non-salary related amount or benefit has been paid or given within two years from the date of this Red Herring Prospectus, or is intended to be paid or given, to any of our Company's officers, including the Directors and the Key Management Personnel. Our Company has instituted 'Group Incentive Scheme for Non-Sales Staff' to incentivise the non-sales staff of our Company and our Subsidiaries, which are linked to the annual performance rating and the achievement of business sales targets by such staff. Further, our Company has instituted 'S. Chand Publishing Incentive Scheme for Sales Staff' to incentivise the sales staff of our Company, which are linked to the annual performance of such staff. Our Company has also instituted incentive schemes for finances heads and business heads which are linked to their annual performance.

Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and our key management personnel, are entitled to any benefits upon termination of employment.

OUR PROMOTERS

Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala and Mr. Himanshu Gupta are the Promoters of our Company. As on the date of this Red Herring Prospectus, Mr. Dinesh Kumar Jhunjhnuwala holds 4,064,820 Equity Shares, Ms. Neerja Jhunjhnuwala holds 3,553,036 Equity Shares and Mr. Himanshu Gupta holds 6,167,752 Equity Shares which, in aggregate, constitutes 46.19% of the issued and paid-up Equity Share capital of our Company.

Details of our Promoters are as follows:

Mr. Dinesh Kumar Jhunjhnuwala 	Mr. Dinesh Kumar Jhunjhnuwala, aged 56 years, is an Executive Director and a Promoter of our Company. He is a resident of India. For further details, see "***Our Management***" on page 179. The voter identification number of Mr. Dinesh Kumar Jhunjhnuwala is NWD4175808 and his driving license number is XD4677671. For details of other ventures of Mr. Dinesh Kumar Jhunjhnuwala, see "***Our Group Companies***" and "***Our Subsidiaries***" on pages 199 and 172, respectively.
Ms. Neerja Jhunjhnuwala 	Ms. Neerja Jhunjhnuwala, aged 52 years, is a Promoter of our Company. She is a resident of India. She has received basic education. She has been associated with our Company since 2004 and accordingly, has over 11 years of experience in the knowledge products and services industry. She was appointed as an Executive Director on July 1, 2011. Ms. Neerja Jhunjhnuwala is a director on the board of directors of the following companies: • Arch Papier-Mache Private Limited • Blackie & Son (Calcutta) Private Limited • Eurasia Publishing House Private Limited • Nirja Publishers & Printers Private Limited • S Chand Properties Private Limited The voter identification number of Ms. Neerja Jhunjhnuwala is NWD4175824 and her driving license number is K1109537. Her residential address is B-414 Ground Floor, New Friends Colony, New Delhi, India – 110065. For details of other ventures of Ms. Neerja Jhunjhnuwala, see "***Our Group Companies***" and "***Our Subsidiaries***" on pages 199 and 172, respectively.
Mr. Himanshu Gupta 	Mr. Himanshu Gupta, aged 38 years, is the Managing Director and a Promoter of our Company. He is a resident of India. For further details, see "***Our Management***" on page 179. The voter identification number of Mr. Himanshu Gupta is ARE2021698 and his driving license number is P03062001277011. For details of other ventures of Mr. Himanshu Gupta, see "***Our Group Companies***" and "***Our Subsidiaries***" on pages 199 and 172, respectively.

Our Company confirms that the PAN, bank account numbers and passport number of its Promoters, have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. For details on the shareholding of our Promoters in our Company, see "***Capital Structure***" on page 87. Further, our Promoters, Mr. Dinesh Kumar Jhunjhnuwala and Mr. Himanshu Gupta are also interested to the extent of their Directorship on our Board, and any remuneration and reimbursement of expenses payable to them.

Except as disclosed below, our Promoters are not interested in the properties acquired or proposed to be acquired by our Company since the two years immediately preceding the filing of the Draft Red Herring Prospectus.

Our Company entered into a lease agreement dated May 1, 2013 as renewed by an addendum dated May 1, 2016 with one of our Promoters, Ms. Neerja Jhunjhnuwala for taking on lease the property situated at Unit No. S-301, TF, Plot No. 199, Circle No. 23, Ward No. 9, Patna, Bihar, India. Additionally, our Company entered into a lease agreement dated September 1, 2014 with Ms. Neerja Jhunjhnuwala for taking on lease the property situated at Karnal Bagh, near Model Mill Chowk, Nagpur - 440 032, Maharashtra, India.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them. For further details of related party transactions, see "***Related Party Transactions***" on page 205.

Other than our Subsidiaries and Group Companies, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as disclosed in the section titled "***Related Party Transactions***", our Company has not entered into any contract or arrangement with our Promoters with respect to any loans and/or advances.

Except as disclosed in the section titled "***Related Party Transactions***", our Promoters are not related to any sundry debtors of our Company.

Except as disclosed in this Red Herring Prospectus, our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Except as disclosed in the section "***Our Business***" of this Red Herring Prospectus, none of our Promoters hold any interest in intellectual property pertaining to the business of the Company and Subsidiaries.

Except for Mr. Dinesh Kumar Jhunjhnuwala and Mr. Neerja Jhunjhnuwala, none of our Promoters are related to each other.

Payment or Benefits to Promoters

Except as stated otherwise in the section "***Related Party Transactions***" on page 205 about the related party transactions entered into during the last five Financial Years and in the section "***Our Promoters - Interests of Promoters***" on page 197, respectively, there has been no payment or benefit to our Promoters or Promoter Group during the two years immediately preceding the filing of the Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of our Promoter Group as on the date of this Red Herring Prospectus.

Confirmations

Our Promoters have not been declared as wilful defaulters as defined under the SEBI ICDR Regulations. Further, there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "***Outstanding Litigation and Material Developments***" on page 469, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years immediately preceding the date of the Offer against our Promoters.

Except as disclosed in this Red Herring Prospectus, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any companies or firms since the three years immediately preceding the filing of the Draft Red Herring Prospectus.

Change in the management and control of our Company

Except as stated in the section "***Our Management***", there has been no change in the management and control of our Company since the five years preceding the filing of the Draft Red Herring Prospectus.

Guarantees

Except as stated in the sections "***History and Certain Corporate Matters***" and "***Related Party Transactions***" on pages 157 and 205, respectively, our Promoters have not given any guarantee to a third party as on the date of this Red Herring Prospectus.

OUR GROUP COMPANIES

*The companies which constitute part of the related parties of our Company under Accounting Standard 18 issued by the Institute of Chartered Accountants of India ("**AS 18**") as per the Restated Financial Statements (except such companies that are consolidated in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India) for the period ended December 31, 2016 and the Fiscal ended 2016, 2015, 2014, 2013 and 2012, as well as the companies covered under AS 18, where control exists have been considered as Group Companies by our Board of Directors pursuant to the resolution dated September 19, 2016 and, there are no other companies which have any material relationship which are considered to be Group Companies. For the purposes of determining material group companies, our Board of Directors have considered a company material if (i) such company forms part of the Promoter Group and our Company has entered into one or more transactions with such company in the previous audited Fiscal (in respect of which, the financial statements are included in this Red Herring Prospectus) which, cumulatively exceeds 1% of the total consolidated revenue of our Company of such audited Fiscal; and (ii) companies which subsequent to the date of the last Restated Financial Statements, would require disclosure in the consolidated financial statements of our Company for subsequent periods as companies covered under AS 18 in addition to/other than those companies covered under AS 18 in the Restated Financial Statements. For avoidance of doubt, it is clarified that direct or indirect subsidiaries of our Company shall not be considered as 'Group Companies', for the purposes of disclosure in this Red Herring Prospectus.*

The following are our Group Companies:

1. Edutor Technologies India Private Limited;
2. RKG Hospitalities Private Limited;
3. S. Chand Hotels Private Limited;
4. S Chand Properties Private Limited;
5. SC Hotel Tourist Deluxe Private Limited;
6. Shaara Hospitalities Private Limited; and
7. Smartivity Labs Private Limited.

Top five Group Companies (based on turnover in Fiscal 2016)

1. Edutor Technologies India Private Limited

Corporate Information

Edutor Technologies India Private Limited was incorporated as a private limited company on July 16, 2009 under the Companies Act, 1956 having its registered office situated at Plot No. 188 & 189, Block B, Phase II, Kavuri Hills, Madhapur, Hyderabad, Telangana 500 082, India. Its corporate identity number is U80904AP2009PTC064404. Edutor Technologies India Private Limited is currently involved in the business of carrying out multimedia e-learning services.

Interest of our Promoters

Our Promoters have no interest in Edutor Technologies India Private Limited.

Financial Information

The brief audited financial results of Edutor Technologies India Private Limited for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	9.07	8.18	3.75
Reserves (excluding revaluation reserves) and Surplus	42.55	46.52	(7.82)
Sales/Turnover (inclusive of other income)	154.76	108.69	60.51
Profit/(Loss) after Tax	(65.73)	(57.68)	(24.26)
Basic EPS (in ₹)	(14.90)	(19.14)	(19.13)
Diluted EPS (in ₹)	(14.90)	(19.14)	(19.13)

Particulars	For the Financial Year		
	2016	2015	2014
Net asset value per share (in ₹)	11.38	13.38	7.5

There are no significant notes of the auditors in relation to the aforementioned financial statements.

2. S Chand Properties Private Limited

Corporate Information

S Chand Properties Private Limited was incorporated as a private limited company on May 11, 2011 under the Companies Act, 1956 having its registered office situated at 7361, Ram Nagar, Paharganj, New Delhi 110 055, India. Its corporate identity number is U70109DL2011PTC218993. S Chand Properties Private Limited is currently involved in the business of leasing properties.

Interest of our Promoters

Our Promoters hold 75 % of the equity share capital of S Chand Properties Private Limited.

Financial Information

The brief audited financial results of S Chand Properties Private Limited for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	82.58	82.58	82.58
Reserves (excluding revaluation reserves) and Surplus	142.05	108.77	84.62
Sales/Turnover (inclusive of other income)	82.79	63.72	59.53
Profit/(Loss) after Tax	33.28	24.15	26.16
Basic EPS (in ₹)	4.03	2.92	3.17
Diluted EPS (in ₹)	4.03	2.92	3.17
Net asset value per share (in ₹)	27.20	23.17	20.25

There are no significant notes of the auditors in relation to the aforementioned financial statements.

3. S. Chand Hotels Private Limited

Corporate Information

S. Chand Hotels Private Limited was incorporated as a private limited company on May 11, 2011 under the Companies Act, 1956 having its registered office situated at 7361, Ram Nagar, Paharganj, New Delhi, India. Its corporate identity number is U55101DL2011PTC218995. S. Chand Hotels Private Limited is currently involved in the business of running hotels.

Interest of our Promoters

Our Promoters hold 58.23% of the equity share capital of S. Chand Hotels Private Limited.

Financial Information

The brief audited financial results of S. Chand Hotels Private Limited for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	309.37	309.37	309.37
Reserves (excluding revaluation reserves) and Surplus	(154.62)	(154.35)	(178.76)

Particulars	For the Financial Year		
	2016	2015	2014
Sales/Turnover (inclusive of other income)	47.62	46.40	35.55
Profit/(Loss) after Tax	(0.27)	24.42	(57.19)
Basic EPS (in ₹)	(0.01)	0.79	(1.85)
Diluted EPS (in ₹)	(0.01)	0.79	(1.85)
Net asset value per share (in ₹)	5.00	5.01	4.22

There are no significant notes of the auditors in relation to the aforementioned financial statements.

4. SC Hotel Tourist Deluxe Private Limited

Corporate Information

SC Hotel Tourist Deluxe Private Limited was incorporated as a private limited company on May 16, 2011 under the Companies Act, 1956 having its registered office situated at 7361, Ram Nagar, Paharganj, New Delhi, 110 055, India. Its corporate identity number is U55100DL2011PTC219221. SC Hotel Tourist Deluxe Private Limited is currently involved in the business of running hotels.

Interest of our Promoters

Our Promoters hold 58.04% of the equity share capital of SC Hotel Tourist Deluxe Private Limited.

Financial Information

The brief audited financial results of SC Hotel Tourist Deluxe Private Limited the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	17.20	17.20	17.20
Reserves (excluding revaluation reserves) and Surplus	11.70	6.82	1.75
Sales/Turnover (inclusive of other income)	35.39	33.74	29.99
Profit/(Loss) after Tax	4.88	5.08	1.79
Basic EPS (in ₹)	2.84	2.95	1.04
Diluted EPS (in ₹)	2.84	2.95	1.04
Net asset value per share (in ₹)	16.81	13.97	11.02

There are no significant notes of the auditors in relation to the aforementioned financial statements.

5. RKG Hospitalities Private Limited

Corporate Information

RKG Hospitalities Private Limited was incorporated as a private limited company on March 15, 2007 under the Companies Act, 1956 having its registered office situated at Hotel Divine 7-B, Taimoor Nagar, New Friends Colony, New Delhi, 110 065, India. Its corporate identity number is U85310DL2007PTC160538. RKG Hospitalities Private Limited is currently involved in the business of running hotels.

Interest of our Promoters

Our Promoters have no interest in RKG Hospitalities Private Limited.

Financial Information

The brief audited financial results of RKG Hospitalities Private Limited for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	532.63	532.63	532.63
Reserves (excluding revaluation reserves) and Surplus	72.05	69.62	69.82
Sales/Turnover (inclusive of other income)	33.49	24.82	18.31
Profit/(Loss) after Tax	2.43	0.46	(5.38)
Basic EPS (in ₹)	0.05	0.01	(0.1)
Diluted EPS (in ₹)	0.05	0.01	(0.1)
Net asset value per share (in ₹)	11.35	11.31	11.31

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Group Companies with negative net-worth:

1. Edutor Technologies India Private Limited

For details, see "***Our Group Companies – Top five Group Companies (based on turnover in Fiscal 2016)***" on page 199.

2. Smartivity Labs Private Limited

Corporate Information

Smartivity Labs Private Limited was incorporated on February 26, 2015 under the Companies Act, 2013 having its registered office at 258, 1st Floor, Kuldeep House, Lane No. 3, Westend Marg, Saidulajab New Delhi, 110 030, India. Its corporate identity number is U7414DL2015PTC277272. Smartivity Labs Private Limited is currently involved in the business of design, manufacturing and selling of toys.

Interest of our Promoters

Our Promoters have no interest in Smartivity Labs Private Limited.

Financial Information

The brief audited financial results of Smartivity Labs Private Limited for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2016	2015	2014
Equity Capital	0.16	0.10	-
Reserves (excluding revaluation reserves) and Surplus	2.26	(0.10)	-
Revenue from Operations & Other Income	11.46	0.68	-
Profit/(Loss) after Tax	(5.86)	(0.10)	-
Basic EPS (in ₹)	(585.71)	(10.23)	-
Diluted EPS (in ₹)	(361.61)	(10.23)	-
Net asset value per share (in ₹)	149.51	(0.23)	-

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Details of other Group Company

1. Shaara Hospitalities Private Limited

Corporate Information

Shaara Hospitalities Private Limited was incorporated on April 15, 2011 under the Companies Act, 1956 having its registered office at 7361, Ram Nagar, Paharganj, New Delhi 110 055, India. Its

corporate identity number is U55101DL2011PTC217614. Shaara Hospitalities Private Limited is currently involved in the business of running hotels.

Interest of our Promoters

Our Promoters hold 56.27% of the equity share capital of Shaara Hospitalities Private Limited.

Loss making Group Companies

The details of our Group Companies which are loss making are provided below:

Name of Group Company	Profit/(Loss) after tax (₹ *million*)		
	Financial Year 2016	**Financial Year 2015**	**Financial Year 2014**
Edutor Technologies India Private Limited	(65.73)	(57.68)	(24.26)
RKG Hospitalities Private Limited	2.43	0.46	(5.38)
S. Chand Hotels Private Limited	(0.27)	24.42	(57.19)
Smartivity Labs Private Limited	(5.86)	(0.10)	-
Shaara Hospitalities Private Limited	(5.46)	13.52	456.02

Group Companies under winding up

None of our Group Companies are under winding up and no winding up proceedings have been initiated against them.

Group Companies which are sick industrial companies

None of our Group Companies fall under the definition of sick industrial companies under Sick Industrial Companies (Special Provisions) Act, 1995.

Nature and Extent of Interest of Group Companies

(i) ***In the promotion of our Company***

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

(ii) ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus***

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company since the two years preceding the filing of the Draft Red Herring Prospectus.

(iii) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery involving our Company.

Common Pursuits among the Group Companies with our Company

There are no common pursuits between any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

For more information, see "***Related Party Transactions***" on page 205.

Sale/Purchase between Group Companies/Associate

Except as disclosed in the section titled "***Related Party Transactions***" on page 205, there are no sales or purchase between our Group Companies/ Associate and our Company where such sales or purchases exceed in value, in the aggregate, 10% of the total sales or purchases of our Company.

Business Interest of Group Companies

Except as mentioned in the section "***Related Party Transactions***" on page 205, our Group Companies have no business interest in our Company.

Defunct Group Companies

None of our Group Companies are defunct and/or for which any application has been made to the Registrar of Companies for striking off since the five years preceding the filing of the Draft Red Herring Prospectus.

Other confirmations

None of our Group Companies are listed or have failed to list on any stock exchange, have made any public or rights issue of securities in the preceding three years.

None of our Group Companies have been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Group Companies have been identified as wilful defaulters as defined under the SEBI ICDR Regulations.

None of the Group Companies have committed any violations of securities laws in the past and no proceeding pertaining to such penalties are pending against them.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the nine months period ended December 31, 2016 and the Fiscal ended March 31, 2016, 2015, 2014, 2013 and 2012, as per the requirements under Accounting Standard 18 "Related Party Disclosures", see "***Financial Statements - Annexure XXXVI - Restated consolidated statement of related party transactions - 3. Related party disclosures***" and "***Financial Statements - Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows - 3. Related party disclosures***" from pages 376 and 272, respectively.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association, the applicable law, including the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable taxes including dividend distribution tax, applicable legal restrictions and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of factors under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

The dividends declared and subsequently paid by our Company on the Equity Shares in each of the Financial Years 2012, 2013, 2014, 2015 and 2016 are given below:

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013	Fiscal 2012
Face value per Equity Share (₹ in INR)	10	10	10	1,000	1,000
Dividend Paid (₹ in million)*	Nil	Nil	4.07	2.50	2.50
Rate of Dividend (%)	Nil	Nil	250%	250%	250%

**Excluding dividend distribution tax.*

Note:
(1) The Company declared an interim dividend at the rate of ₹ 25 per equity share amounting to ₹ 10.08 million for Fiscal 2017.

SECTION VI: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Report of auditors on the restated unconsolidated summary statement of assets and liabilities as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and profits and losses and cash flows for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012 of S Chand and Company Limited (collectively the "Restated Unconsolidated Summary Statements")

The Board of Directors
S Chand and Company Limited (Formerly S Chand and Company Private Limited)
7361, Ram Nagar, Qutab Road,
New Delhi-110055

Dear Sirs,

1. We have examined the Restated Unconsolidated Summary Statements of S Chand and Company Limited ('the Company') as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012 annexed to this report for the purpose of inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer ("IPO").The Restated Unconsolidated Summary Statements, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

    a. sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013 (the "Act"), read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

    b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations) issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2. We have examined such Restated Unconsolidated Summary Statements taking into consideration:

    a. the terms of our engagement agreed with you vide our engagement letter dated December 21, 2015, requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO; and

    b. the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an IPO which comprises of a fresh issue of equity shares of Rs. 5 each as well as an offer for sale by certain shareholders' existing equity shares of Rs 5 each at such premium, arrived at by book building process (referred to as the "Issue"), as may be decided by the Company's Board of Directors.

Restated Unconsolidated Summary Statements as per audited financial statements:

4. The Restated Unconsolidated Summary Statements has been compiled by the management from:

   a) the audited unconsolidated financial statements of the Company as at December 31, 2016, March 31, 2016, 2015, 2014 and 2013 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014 and 2013, prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on March 27, 2017, August 23, 2016, September 28, 2015, September 29, 2014 and November 30, 2013, respectively; and

   b) the audited unconsolidated financial statements of the Company as at March 31, 2012 and for the year ended March 31, 2012, prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on September 17, 2012.

5. For the purpose of our examination, we have relied on:

   a. Auditor's report issued by us dated March 27, 2017, August 23, 2016, September 28, 2015, September 29, 2014 and November 30, 2013, respectively, on the unconsolidated financial statements of the Company as at December 31, 2016, March 31, 2016, 2015, 2014 and 2013 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014 and 2013 as referred in paragraph 4 (a) above; and

   b. Auditor's report issued by Vinod Sanjeev Bindal & Co. dated September 17, 2012, on the unconsolidated financial statements of the Company as at March 31, 2012 and for the year ended March 31, 2012, as referred in paragraph 4(b) above.

6. In accordance with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Regulations and terms of our engagement agreed with you, we report that, read with paragraph 4 and 5 above, we have examined the Restated Unconsolidated Summary Statements as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012, as set out in Annexures I to III.

7. Based on our examination and the audited financial statements of the Company as at and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012, as stated in Para 4 (a) and (b) above, and the reliance placed on the reports of the previous auditors as referred to in Para 5(b) above, we report that:

   a. The Restated Unconsolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV to this report;

   b. The accounting policies as at and for the nine months period ended December 31, 2016 are materially consistent with the policies adopted for the years March 31, 2016, 2015, 2014, 2013 and 2012.

Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;

c. Adjustments for the material amounts in the respective financial years to which they relate have been adjusted in the attached Restated Unconsolidated Summary Statements;

d. There are no extraordinary items which need to be disclosed separately in the Restated Unconsolidated Summary Statements;

e. There are no qualifications in the auditors' reports on the unconsolidated financial statements of the Company as at and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012, which require any adjustments to the Restated Unconsolidated Summary Statements;

f. Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2015 and 2003 (as amended), respectively on the unconsolidated financial statements as at and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements, have been disclosed in Annexure IV B to the Restated Unconsolidated Summary Statements**.**

8. We have not audited or reviewed any financial statements of the Company as of any date or for any period subsequent to December 31, 2016. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to December 31, 2016.

Other Financial Information

9. At the Company's request, we have also examined the following unconsolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012:

i. Restated Unconsolidated Statement of Share Capital, enclosed as Annexure VI
ii. Restated Unconsolidated Statement of Reserves and Surplus, enclosed as Annexure VII
iii. Restated Unconsolidated Statement of Long Term Borrowings, enclosed as Annexure VIII
iv. Restated Unconsolidated Statement of Deferred Tax Assets and Liabilities, enclosed as Annexure IX
v. Restated Unconsolidated Statement of Trade Payables, enclosed as Annexure X
vi. Restated Unconsolidated Statement of Provisions, enclosed as Annexure XI
vii. Restated Unconsolidated Statement of Short Term Borrowings, enclosed as Annexure XII
viii. Restated Unconsolidated Statement of Other Current Liabilities, enclosed as Annexure XIII
ix. Restated Unconsolidated Statement of Fixed Assets, enclosed as Annexure XIVA and XIVB
x. Restated Unconsolidated Statement of Non-Current Investments, enclosed as Annexure XV
xi. Restated Unconsolidated Statement of Loans and Advances, enclosed as Annexure XVI
xii. Restated Unconsolidated Statement of Other Assets, enclosed as Annexure XVII
xiii. Restated Unconsolidated Statement of Current Investments, enclosed as Annexure XVIII
xiv. Restated Unconsolidated Statement of Inventories, enclosed as Annexure XIX
xv. Restated Unconsolidated Statement of Trade Receivables, enclosed as Annexure XX

xvi. Restated Unconsolidated Statement of Cash and Bank Balances, enclosed as Annexure XXI
xvii. Restated Unconsolidated Statement of Revenue From Operations, enclosed as Annexure XXII
xviii. Restated Unconsolidated Statement of Other Income, enclosed as Annexure XXIIIA
xix. Restated Unconsolidated Statement of Interest Income, enclosed as Annexure XXIIIB
xx. Restated Unconsolidated Statement of Cost Of Raw Materials Consumed and components consumed, enclosed as Annexure XXIV
xxi. Restated Unconsolidated Statement of Publication Expenses, enclosed as Annexure XXV
xxii. Restated Unconsolidated Statement of Increase/Decrease in Inventories, enclosed as Annexure XXVI
xxiii. Restated Unconsolidated Statement of Selling and Distribution Expenses, enclosed as Annexure XXVII
xxiv. Restated Unconsolidated Statement of Employee Benefits Expense, enclosed as Annexure XXVIII
xxv. Restated Unconsolidated Statement of Finance Costs, enclosed as Annexure XXIX
xxvi. Restated Unconsolidated Statement of Other Expenses, enclosed as Annexure XXX
xxvii. Restated Unconsolidated Statement of Accounting Ratios, enclosed as Annexure XXXIA, XXXIB and XXXIC
xxviii. Unconsolidated Capitalisation Statement, as appearing in Annexure XXXII
xxix. Unconsolidated Statement of Tax Shelter, enclosed as Annexure XXXIII
xxx. Unconsolidated Statement of Dividend, enclosed as Annexure XXXIV

10. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexure V and Annexure XXXV, and after making adjustments and regroupings as considered appropriate and disclosed in Annexure IV, have been prepared in accordance with the relevant provisions of the Act and the Regulations.

11. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed IPO of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

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

per Yogesh Midha
Partner
Membership No.: 94941

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure I – Restated unconsolidated summary statement of assets and liabilities

(Amount in Rupees millions)

	Particulars	Annexure	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
	Equity and Liabilities							
I.	**Shareholders' funds**							
	Share capital	VI	149.22	2.02	2.17	2.17	2.08	1.45
	Reserves and surplus	VII	4,387.58	4,837.98	2,976.64	2,901.74	2,447.95	781.16
			4,536.80	**4,840.00**	**2,978.81**	**2,903.91**	**2,450.03**	**782.61**
II.	**Share application money pending allotment**		-	-	-	-	-	12.51
III.	**Non-current liabilities**							
	Long term borrowings	VIII	252.68	308.37	660.38	24.59	375.55	47.14
	Deferred tax liabilities (net)	IX	-	-	-	0.53	-	-
	Trade payables	X	4.33	2.56	0.20	-	-	-
	Long term provisions	XI	13.03	7.68	8.87	5.11	3.68	2.54
			270.04	**318.61**	**669.45**	**30.23**	**379.23**	**49.68**
IV.	**Current liabilities**							
	Short term borrowings	XII	788.79	496.81	352.78	334.57	349.80	417.50
	Trade payables	X						
	- Total outstanding dues of micro enterprises and small enterprises		0.89	1.18	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		672.50	1,072.19	1,104.09	894.26	711.69	733.45
	Other current liabilities	XIII	1,162.92	76.91	210.85	79.52	84.44	72.26
	Short term provisions	XI	-	49.19	0.00	0.33	12.86	8.87
			2,625.10	**1,696.28**	**1,667.72**	**1,308.68**	**1,158.79**	**1,232.08**
	Total (I+II+III+IV)		**7,431.94**	**6,854.89**	**5,315.98**	**4,242.82**	**3,988.05**	**2,076.88**
	Assets							
V.	**Non-current assets**							
	Fixed assets							
	Property, Plant and Equipment	XIVA	122.51	140.38	190.25	190.19	125.85	106.33
	Intangible assets	XIVB	97.94	115.91	77.36	43.27	49.81	53.79
	Capital work-in-progress		0.93	0.11	0.02	23.40	-	15.71
	Intangible assets under development		34.55	-	-	-	-	-
	Non-current investments	XV	4,700.46	3,530.41	2,714.72	1,885.78	1,884.25	231.37
	Deferred tax assets (net)	IX	165.86	10.89	3.13	-	12.41	4.85
	Loans and advances	XVI	67.99	79.01	62.95	33.12	32.42	43.27
	Other non current assets	XVII	7.23	9.37	14.42	14.37	10.63	-
			5,197.47	**3,886.08**	**3,062.85**	**2,190.13**	**2,115.37**	**455.32**
VI.	**Current assets**							
	Current investments	XVIII	42.42	162.32	42.36	1.29	3.11	4.47
	Inventories	XIX	804.59	596.25	485.13	501.47	450.83	418.23
	Trade receivables	XX	1,002.08	1,913.81	1,482.58	1,370.35	973.51	706.32
	Cash and bank balances	XXI	96.25	99.52	57.22	33.99	32.00	28.58
	Loans and advances	XVI	281.95	195.34	183.59	144.47	413.23	455.37
	Other current assets	XVII	7.18	1.57	2.25	1.12	-	8.59
			2,234.47	**2,968.81**	**2,253.13**	**2,052.69**	**1,872.68**	**1,621.56**
	Total (V+VI)		**7,431.94**	**6,854.89**	**5,315.98**	**4,242.82**	**3,988.05**	**2,076.88**

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date

For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director **Director**

Chief Financial Officer **Company Secretary**

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure II - Restated unconsolidated summary statement of profits and losses

(Amount in Rupees millions)

Particulars	Annexure	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I. Income							
Revenue from operations	XXII	911.51	2,795.57	2,348.34	2,293.69	1,914.47	1,701.41
Other income	XXIIIA	10.61	26.96	9.54	6.63	7.25	11.80
Total revenue		**922.12**	**2,822.53**	**2,357.88**	**2,300.32**	**1,921.72**	**1,713.21**
II. Expenses							
Cost of raw materials and components consumed	XXIV	548.37	1,162.24	827.35	903.85	654.69	762.06
Publication expenses	XXV	119.88	326.75	458.55	476.41	381.72	340.45
Purchase of traded goods		112.90	252.28	153.42	148.18	154.22	134.98
(Increase)/decrease in inventories of finished goods	XXVI	(204.30)	(143.94)	(10.00)	(50.60)	9.27	(94.17)
Selling and distribution expenses	XXVII	156.33	199.25	160.33	165.28	127.86	114.31
Employee benefit expenses	XXVIII	333.62	373.16	302.85	236.22	200.78	161.70
Other expenses	XXX	220.39	270.74	186.70	151.02	187.01	83.53
Total expenses		**1,287.19**	**2,440.48**	**2,079.20**	**2,030.36**	**1,715.55**	**1,502.86**
III. Restated earnings before interest, tax, depreciation and amortization (EBITDA) (I-II)		**(365.07)**	**382.05**	**278.68**	**269.96**	**206.17**	**210.35**
Depreciation and amortisation expense	XIV	56.04	74.04	80.44	53.92	34.37	25.57
Interest income	XXIIIB	(56.86)	(89.78)	(73.90)	(5.31)	(3.12)	(0.77)
Finance costs	XXIX	91.11	139.28	156.61	48.32	62.46	58.16
IV. Restated profit/(loss) before tax		**(455.36)**	**258.51**	**115.53**	**173.03**	**112.46**	**127.39**
V. Tax expenses							
Current tax		-	101.47	42.34	51.48	48.36	46.57
Deferred tax charge/(credit)		(154.97)	(7.76)	(3.66)	12.93	(7.55)	(7.71)
Total tax expenses		**(154.97)**	**93.71**	**38.68**	**64.41**	**40.81**	**38.86**
VI. Restated profit/(loss) for the period/year (IV-V)		**(300.39)**	**164.80**	**76.85**	**108.62**	**71.65**	**88.53**

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date

For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director **Director**

Chief Financial Officer **Company Secretary**

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure III - Restated unconsolidated summary statement of cash flows

(Amount in Rupees millions)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Cash flows from/ (used in) operating activities**						
	Profit before tax (as restated)	(455.36)	258.51	115.53	173.03	112.46	127.39
	Adjustments to reconcile profit before tax to net cash flows						
	Depreciation and amortisation expense	56.04	74.04	80.44	53.92	34.37	25.57
	Interest expense	79.25	131.67	150.80	46.69	60.15	54.88
	Amortisation of ancillary borrowing cost	1.18	5.88	4.98	0.75	1.33	2.22
	Employee stock compensation expense	9.33	5.12	-	-	-	-
	Interest income	(56.86)	(89.77)	(73.90)	(5.31)	(3.11)	(0.77)
	(Profit)/loss on sale of fixed assets	0.22	(2.17)	(2.12)	0.01	0.21	1.38
	Profit on sale of investments	(6.20)	(16.42)	-	(0.45)	-	-
	Dividend on current investments	(0.00)	(0.03)	(0.07)	(0.07)	(0.10)	(0.08)
	Share of profit from investment in partnership firm	-	-	-	-	-	(0.13)
	Investments written-off	-	-	-	-	0.09	-
	Bad debts written-off	-	-	1.10	-	-	4.51
	Provision for bad debts	29.20	15.45	7.18	5.99	10.06	3.17
	Provision for diminution in value of investments	-	-	-	0.47	-	1.40
	Write back of provision for diminution in value of investments	(0.11)	-	-	-	-	-
	Unrealized foreign exchange gain	(2.72)	-	-	-	-	-
	Advances written-off	-	0.10	-	2.55	1.93	-
	Operating profit before working capital changes (as restated)	**(346.03)**	**382.38**	**283.94**	**277.58**	**217.39**	**219.54**
	Movement in working capital:						
	(Increase)/ decrease in loans and advances	(85.99)	(21.87)	(57.01)	282.88	28.26	(112.21)
	(Increase)/ decrease in trade receivables	885.23	(446.68)	(120.51)	(402.83)	(277.25)	(115.03)
	(Increase)/ decrease in inventories	(208.34)	(111.12)	16.34	(50.63)	(32.61)	(98.69)
	(Increase)/ decrease in other current assets	-	-	-	-	6.95	18.20
	Increase/ (decrease) in provisions	5.35	(1.19)	3.43	1.58	1.20	(3.09)
	Increase/ (decrease) in trade payables	(398.21)	(28.36)	210.02	182.59	(21.77)	200.64
	Increase/ (decrease) in other current liabilities	46.49	(3.30)	10.70	7.45	11.78	(23.44)
	Cash flows from/ (used in) operating activities	**(101.50)**	**(230.14)**	**346.91**	**298.62**	**(66.05)**	**85.92**
	Direct taxes paid (net of refunds)	(47.17)	(52.28)	(56.99)	(75.57)	(21.64)	(37.42)
	Net cash flows from/ (used in) operating activities	**(148.67)**	**(282.42)**	**289.92**	**223.05**	**(87.69)**	**48.50**
II.	**Cash flows from/ (used in) investing activities**						
	Purchase of fixed assets including intangible assets and capital work in progress	(55.19)	(89.42)	(104.30)	(141.40)	(41.98)	(41.51)
	Purchase of non-current investments	(1,170.05)	(815.69)	(869.94)	(1.59)	(1,652.88)	(111.24)
	Purchase of current investments	-	(1,059.96)	(0.07)	-	-	(1.34)
	Proceeds from sale of current investments	126.21	956.42	-	1.86	1.27	9.07
	Proceeds from sale of fixed assets	3.83	22.73	15.99	0.28	7.59	724.13
	Investment in bank deposits (having original maturity of more than three months)	3.11	(0.22)	-	(0.35)	(4.36)	-
	Redemption/maturity of bank deposits (having original maturity of more than three months)	(0.25)	-	0.01	-	-	6.11
	Interest received	56.43	89.62	73.40	5.17	3.87	0.36
	Dividend received	0.00	0.03	0.07	0.07	0.10	0.08
	Net cash flows from/ (used in) investing activities	**(1,035.91)**	**(896.49)**	**(884.84)**	**(135.96)**	**(1,686.39)**	**585.66**
III.	**Cash flows from/ (used in) financing activities**						
	Proceeds from issuance of equity share capital	-	0.29	-	-	0.63	-
	Securities premium received on issue of shares	-	1,690.97	-	-	1,598.05	-
	(Repayment)/proceeds of borrowings	1,275.93	(337.88)	774.99	(26.41)	259.09	(154.89)
	Interest paid	(79.38)	(132.39)	(151.19)	(48.83)	(58.14)	(55.38)
	Dividend paid on equity shares	(10.08)	-	-	(4.07)	(2.50)	(2.50)
	Tax on equity dividend paid	(2.05)	-	-	(0.66)	(0.41)	(0.42)
	Amortisation of ancillary borrowing cost	-	(1.61)	(8.35)	(6.37)	(1.33)	(2.22)
	Increase in reserve in demerger	-	-	-	-	-	(428.84)
	Share application money refunded	-	-	-	-	(12.51)	-
	Net cash flows from/ (used in) financing activities	**1,184.42**	**1,219.38**	**615.45**	**(86.34)**	**1,782.88**	**(644.25)**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure III - Restated unconsolidated summary statement of cash flows

(Amount in Rupees millions)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
IV.	**Net increase/ (decrease) in cash and cash equivalents (I+II+III)**	**(0.16)**	**40.47**	**20.53**	**0.75**	**8.80**	**(10.09)**
V.	**Cash and cash equivalents at the beginning of the year/period**	93.75	53.28	32.75	32.00	23.20	33.29
VI.	**Cash & cash equivalents at the end of the period/year (IV+V)**	**93.59**	**93.75**	**53.28**	**32.75**	**32.00**	**23.20**
	Components of cash and cash equivalents :						
	Cash on hand	1.39	9.64	21.25	11.64	9.79	6.36
	Cheques on hand	0.17	-	-	-	-	-
	Balance with banks:						
	- on current account	87.03	82.22	30.63	20.31	12.21	16.84
	- on escrow account	-	-	-	-	10.00	-
	- on deposit account	5.00	1.89	1.40	0.80	-	-
	Total cash and cash equivalents (Annexure XXI)	**93.59**	**93.75**	**53.28**	**32.75**	**32.00**	**23.20**

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date
For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director **Director**

Chief Financial Officer **Company Secretary**

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVA - Notes on material adjustments

1. Below mentioned is the summary of results of adjustments made in the audited unconsolidated financial statements of the respective years and its impact on the restated unconsolidated summary statement of profit and loss and restated unconsolidated summary statement of assets and liabilities:

(Amount in Rupees million)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Profit/(loss) after tax (as per audited financial statements)**	**(300.39)**	**162.66**	**80.24**	**89.90**	**67.17**	**84.19**
II.	**Restatement adjustments:**						
	Revenue recognition adjustment (Refer Note 1 below)	-	-	-	58.46	-	(7.25)
	Cost of finished goods sold (Refer Note 1 below)	-	-	-	(25.92)	-	1.47
	Unspent liabilities/miscellaneous balances written back (Refer Note 2 below)	-	(0.69)	(0.08)	0.51	(6.82)	(0.77)
	Accounting of insurance claims (Refer Note 3 below)	-	-	(1.05)	(5.34)	0.34	6.06
	Income tax related to earlier years (Refer Note 4 below)	-	-	-	-	-	0.55
	Demerger expenses (Refer Note 5 below)	-	-	-	-	1.38	(1.22)
	Provision for diminution in value of investments (Refer Note 6 below)	-	-	-	-	1.40	(1.40)
	Depreciation expense on publishing rights (Refer Note 7 below)	-	-	-	-	-	0.53
	Deferred revenue expenditure adjustment (Refer Note 7 below)	-	-	-	-	-	(0.53)
	Cost of investment adjusted for legal and professional expenses (Refer Note 8 below)	-	2.61	(2.61)	-	-	-
	Total	**-**	**1.92**	**(3.74)**	**27.71**	**(3.70)**	**(2.56)**
III.	**Deferred tax adjustments (Refer Note 9 below)**						
	Deferred tax adjustments for the earlier years	-	-	-	-	6.97	5.86
	Deferred tax impact on above restatement adjustments	-	0.22	0.35	(8.99)	1.21	1.04
	Total	**-**	**0.22**	**0.35**	**(8.99)**	**8.18**	**6.90**
IV.	**Total adjustments (II+III)**	**-**	**2.14**	**(3.39)**	**18.72**	**4.48**	**4.34**
V.	**Restated profit/(loss) after tax (I+IV)**	**(300.39)**	**164.80**	**76.85**	**108.62**	**71.65**	**88.53**

Notes:

1) During the years ended March 31, 2012 and March 31, 2011, the Company had recognized revenue on the basis of invoicing as against the accounting practice of recognising revenue on dispatch of goods. This accounting practice was later rectified by the Company in the financial year 2012-13. Accordingly, adjustment for revenue, trade receivables, cost of finished goods sold and inventory of finished goods have been made in the restated unconsolidated summary statements in the respective years. Similarly, in the year ended March 31, 2014, for goods dispatched in financial year 2013-14 which had been invoiced in financial year 2012-13, revenue was recognised less by Rs. 58.46 million. Accordingly, adjustments have been made in in the restated unconsolidated summary statements for year ended March 31, 2014.

2) During the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, the Company had reversed certain liabilities which were considered as no longer payable and recognized as "Other Income". Since these were related to earlier years, the reversal has now been reflected in the respective years in which the liabilities were created.

3) The Company is following the policy of accounting for insurance claims on settlement with the insurers. For the purpose of this statement, the said income has been appropriately adjusted in the respective years in which the claims were lodged. Accordingly, adjustments have been made in the restated unconsolidated summary statements for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

4) The Statement of Profit and Loss for the financial year ended March 31, 2012 includes amounts provided for in respect of short provision of income taxes in respect of the earlier years which has now been adjusted in the respective years.

5) In the audited unconsolidated financial statements, demerger expenses were not charged to the statement of profit and loss in the year in which they were incurred. For the purpose of restated unconsolidated summary statements, such demerger expenses have been appropriately adjusted in the financial years to which the transactions pertain to.

6) During the year ended March 31, 2013, the Company classified its investments in quoted equity instruments and mutual funds from non current investments to current investments and the said investments were revalued at lower of cost or fair value as at that March 31, 2013, which has now been adjusted in the financial year ended March 31, 2012.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVA - Notes on material adjustments

7) In the unconsolidated financial statements for the years beginning from the year ended March 31, 2003 to year ended March 31, 2012, certain publishing rights have been treated as deferred revenue expenditure and charged to the statement of profit and loss instead of capitalising the same as publishing rights under intangible assets. Such publishing rights have now been appropriately capitalised and adjusted in the financial years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. The adjustment has no impact on profit as instead of charging the amount to statement of profit and loss as deferred revenue expenditure, the same has been shown as amortisation of publishing rights in the restated unconsolidated summary statements.

8) In the financial statements for the year ended March 31, 2015, certain legal and professional expenses which were not in the nature of brokerage were included in the cost of investment of a subsidiary company instead of charging the same in the statement of profit and loss. Such legal and professional expenses have now been appropriately expensed off and adjusted in the respective year.

9) These adjustments include the rectification of calculations of deferred tax as at March 31, 2011 and March 31, 2012 and impact of restatement adjustments made as detailed above. For the purpose of restated summary statements, deferred taxes have been appropriately adjusted in the restated profits and losses to the respective years to which they relate.

10) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure V.

2. Adjustments made in the opening balance of surplus in the audited statement of profit and loss as at April 1, 2011

Particulars	**(Amount in Rupees million)**
Surplus in the statement of profit and loss as at April 1, 2011 as per audited financial statements	**219.90**
Adjustments:	
Revenue recognition adjustment (Refer Note 1 below)	(51.20)
Cost of finished goods sold (Refer Note 1 below)	24.45
Unspent liabilities/miscellaneous balances written back (Refer Note 2 below)	7.86
Demerger expenses (Refer Note 5 below)	(0.16)
Income tax related to earlier years (Refer Note 4 below)	(0.55)
Dividend adjustment (Refer Note 6 of Annexure VII)	2.92
Deferred tax adjustments for the earlier years (Refer Note 9 above)	(12.83)
Deferred tax impact on above restatement adjustments (Refer Note 9 above)	6.18
Surplus in the statement of profit and loss as at April 1, 2011 (as restated)	**196.57**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVB - Non adjusting items

Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2016, 2015 and 2003 (as amended), respectively on the unconsolidated financial statements for the years ended March 31, 2016, 2015, 2014, 2013 and 2012, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements are as follows:

I. For the year ended March 31, 2016

i. Clause (vii)(a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, sales-tax, service tax, value added tax, custom duty cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to duty of excise and cess are not applicable to the Company.

ii. Clause (vii)(c)

According to the records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:

Name of the Statute	Nature of dues	(Amount in Rupees million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income tax	30.30	AY 2004-05	Delhi High Court
Income Tax Act,1961	Income tax	4.46	AY 2005-06	Delhi High Court
Income Tax Act,1961	Income tax	1.46	AY 2006-07	Delhi High Court
Income Tax Act,1961	Income tax	3.42	AY 2007-08	Delhi High Court
Income Tax Act,1961	Income tax	15.20	AY 2007-08	ITAT
Income Tax Act,1961	Income tax	4.16	AY 2008-09	Delhi High Court
Income Tax Act,1961	Income tax	5.34	AY 2009-10	Delhi High Court
Income Tax Act,1961	Income tax	6.63	AY 2010-11	ITAT
Income Tax Act,1961	Income tax	8.18	AY 2011-12	ITAT
Income Tax Act,1961	Income tax	10.00	AY 2012-13	ITAT
Income Tax Act,1961	Income tax	3.34	AY 2013-14	CIT (A)

II. For the year ended March 31, 2015

i. Clause (iv)

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and sale of services. However, the internal control system for sale of goods needs to be strengthened to make it commensurate with the size of the Company and nature of its business.

ii. Clause (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, wealth tax, service tax, value added tax, custom duty, cess and other material statutory dues applicable to it. As informed to us, the provisions relating to excise duty and cess are not applicable to the Company.

iii. Clause (vii)(c)

According to the records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:

Name of the statute	Nature of dues	(Amount in Rupees million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	30.30	AY 2004-05	Delhi High Court
Income Tax Act, 1961	Income tax	4.46	AY 2005-06	Delhi High Court
Income Tax Act, 1961	Income tax	1.46	AY 2006-07	Delhi High Court
Income Tax Act, 1961	Income tax	3.42	AY 2007-08	Delhi High Court
Income Tax Act, 1961	Income tax	15.20	AY 2007-08	ITAT
Income Tax Act, 1961	Income tax	4.16	AY 2008-09	Delhi High Court
Income Tax Act, 1961	Income tax	5.34	AY 2009-10	Delhi High Court
Income Tax Act, 1961	Income tax	6.63	AY 2010-11	ITAT
Income Tax Act, 1961	Income tax	8.18	AY 2011-12	ITAT

III. For the year ended March 31, 2014

i. Clause (ix)(a)

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues have generally being regularly deposited with the appropriate authorities though there has been a slight delay in few cases. The provision relating to investor education and protection fund, wealth-tax, custom duty and excise duty are not applicable to the company.

ii. Clause (ix)(c)

According to the records of the company, the dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	(Amount in Rupees million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	30.30	AY 2004-05	Delhi High Court
Income Tax Act, 1961	Income tax	4.46	AY 2005-06	Delhi High Court
Income Tax Act, 1961	Income tax	1.46	AY 2006-07	Delhi High Court
Income Tax Act, 1961	Income tax	3.42	AY 2007-08	Delhi High Court
Income Tax Act, 1961	Income tax	15.20	AY 2007-08	ITAT
Income Tax Act, 1961	Income tax	4.16	AY 2008-09	Delhi High Court
Income Tax Act, 1961	Income tax	5.34	AY 2009-10	Delhi High Court
Income Tax Act, 1961	Income tax	6.63	AY 2010-11	ITAT
Income Tax Act, 1961	Income tax	8.18	AY 2011-12	CIT(A)

IV. For the year ended March 31, 2013

i. Clause (iii)(b)

According to the information and explanation given to us, we are of the opinion that the rate of interest and other terms and conditions of loans given by the company to Shaara Hospitalities Private Limited in which directors of the company are interested, are prima facie prejudicial to the interest of the company on account of the following reasons:
1) the company has granted the loan at an interest rate of Nil% per annum which is significantly lower than the interest rate prevailing in the market; and
2) there are no covenants with regard to repayment of loans.

However the said loan is subsequently received back refer note no. 43 of the respective financial statement.

According to the information and explanation given to us, and having regard to the management's representation that the interest free loans given to certain wholly-owned subsidiary of the company in the interest of the Company's business, the rate of interest and other terms and condition for such loans are not prima facie prejudicial to the interest of the company.

ii. Clause (iii)(c)

The loan granted are repayable on demand. We are informed that the company has not demanded repayment of such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The loans given are interest free.

iii. Clause (ix)(a)

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues have generally being regularly deposited with the appropriate authorities though there has been a slight delay in few cases. The provision relating to investor education and protection fund, wealth-tax, custom duty and excise duty are not applicable to the company.

iv. Clause (ix)(c)

According to the records of the company, the dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	(Amount in Rupees million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	30.30	AY 2004-05	Delhi High Court
Income Tax Act, 1961	Income tax	4.46	AY 2005-06	Delhi High Court
Income Tax Act, 1961	Income tax	1.46	AY 2006-07	Delhi High Court
Income Tax Act, 1961	Income tax	3.42	AY 2007-08	Delhi High Court
Income Tax Act, 1961	Income tax	4.16	AY 2008-09	Delhi High Court
Income Tax Act, 1961	Income tax	5.34	AY 2009-10	Delhi High Court
Income Tax Act, 1961	Income tax	6.63	AY 2010-11	CIT(A)

V. For the year ended March 31, 2012

i. Clause (i)(a)

The Company has maintained records showing quantitative details of the fixed assets, but we have been informed by the management that steps for completion of records containing full particulars of same are being taken.

ii. Clause (v)(a)

In our opinion and according to the information and explanation given to us, the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have not been so entered.

iii. Clause (ix)(a)

According to the records of the Company examined by us, the provisions of Investor Education and Protection Fund are not applicable to the Company. However, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other statutory dues have generally been deposited regularly with the appropriate authorities.

iv. Clause (ix)(c)

The details of statutory dues not deposited on account of disputed liabilities are given as under:

Name of the statute	Nature of dues	(Amount in Rupees million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	5.34	AY 2009-10	CIT(A)
Income Tax Act, 1961	Income tax	4.16	AY 2008-09	CIT(A)

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVC - Material regroupings

W.e.f April 01, 2014, Schedule III of the Companies Act, 2013 has become applicable to the Company for the preparation and presentation of its financial statements which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956 which became applicable to the Company w.e.f April 01, 2011 for the preparation and presentation of its financial statements. The adoption of the Schedule III of the Companies Act, 2013/Revised Schedule VI of the Companies Act, 1956 does not impact recognition and measurement principles followed for preparation of financial statements. There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The restated unconsolidated summary statements have been prepared based on the presentation requirements specified under Schedule III of the Companies Act, 2013, which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956.

Appropriate adjustments have been made in the restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the regroupings as per the audited unconsolidated financial statements of the Company for nine months period ended December 31, 2016, prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure V - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate information

S Chand and Company Limited ("the Company" or "SCCL") (Formerly known as S Chand and Company Private Limited) is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was converted into a public company with effect from September 08, 2016 and consequently the name of the Company has changed from S Chand and Company Private Limited to S Chand and Company Limited. The Company's operations comprises of publishing of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children books.

2. Basis of preparation

The restated unconsolidated summary statement of assets and liabilities of the Company as at December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and the related restated unconsolidated summary statement of profits and losses and related restated unconsolidated summary statement of cash flows for the years/period ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (herein collectively referred to as "Restated Unconsolidated Summary Statements") have been compiled by the management from the then audited unconsolidated financial statements for the years/periods ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 respectively.

The Restated Unconsolidated Summary Statements of the Company for the period/years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 have been prepared using the historical audited general purpose financial statements of the Company as at and for the period/years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 respectively which were prepared under generally accepted accounting principles in India (Indian GAAP) and originally approved by the Board of Directors of the Company at that relevant time.

The Company has prepared the unconsolidated financial statements to comply in all material respects with the accounting standards specified under the Companies Act, 1956 (the "Act") and as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India. The unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those adopted in the preparation of financial statement for the period ended December 31, 2016.

These unconsolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 in addition to the Revised Schedule VI to the Companies Act, 1956.

The Restated Unconsolidated Summary Statements have been prepared specifically for the inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed initial public offering.

The Restated Unconsolidated Summary Statements have been prepared by the Company to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

2.1 Summary of significant accounting policies

a. Change in accounting policy

Disclosure of EBITDA

Till the year ended March 31, 2016, the Company had opted not to disclose EBITDA. From the period ended June 30, 2016 onwards, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, interest income and tax expense. . The same has been elected by the Company to enable better presentation of financial statements and enhance decision making of top management.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Plant, property and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

d. Depreciation on property, plant and equipment

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of property, plant and equipment. From April 01, 2014, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013.

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for property, plant and equipment which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Till the year ended March 31, 2014, depreciation on property, plant and equipment is provided on a written down value basis using the rates prescribed under the Schedule XIV of the Companies Act, 1956, which approximate the useful life of the assets estimated by the management. From April 01, 2014, considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II.

Based on the expected useful life of these assets for the company, the company has considered below useful lives for different classes of assets. The useful lives of vehicles, certain plant and machinery and computers are estimated as 10, 25 and 6 years respectively. These lives are higher than those indicated in schedule II.

Tangible assets	Useful lives as per Schedule II of the Companies Act, 2013 from April 01, 2014 onwards	Useful lives estimated by the management from April 01, 2014 onwards	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014	Depreciation rates as per useful lives as estimated by the management till March 31, 2014
Plant and equipment	15 years	15 - 25 years	13.91%	13.91%
Office Equipment	5 years	5 years	13.91%	13.91%
Furniture & Fixtures	10 years	10 years	18.10%	18.10%
Vehicles	8 years	10 years	25.89%	25.89%
Others - Computer	3 years	6 years	40.00%	40.00%

Leasehold improvement is amortized over the economic useful life of asset or unexpired period of lease whichever is lower.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:
- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- its intention to complete the asset,
- its ability to use or sell the asset,
- how the asset will generate future economic benefits,
- the availability of adequate resources to complete the development and to use or sell the asset,
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

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

A summary of amortization policies applied to the company's intangible assets is as below:

Intangible assets	Useful lives
Goodwill	10 years
Computer software	5-10 years
Copyright	6-10 years
Publishing rights	10 years
In-house content development	10 seasons

f. Leases

Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

g. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

h. Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the assets does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses are recognized in the statement of profit and loss.

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

i. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

j. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a First In First Out (FIFO) basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First out (FIFO) basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First out (FIFO) basis.

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

k. Revenue recognition

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods
Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation. Sales are net of turnover discounts and sales

Interest
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends
Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

l. Segment reporting

Identification of segments
The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Inter-segment transfers
The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items
Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies
The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

m. Foreign currency transactions

Foreign currency transactions and balances

i) Initial Recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange Differences
All exchange differences are recognized as income or as expenses in the period in which they arise.

n. Retirement and other employee benefits

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

The company operates defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried at using the projected unit credit method. Actuarial gain and loss for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

o. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

p. Employee Stock compensation cost

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

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

r. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

s. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u. Measurement of EBITDA

As permitted by the Schedule III of the Companies Act, 2013 (Erstwhile Revised Schedule VI to the Companies Act, 1956), the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, interest income and tax expense.

3 Scheme of amalgamation and demerger

During the year ended March 31, 2012, the shareholders of the Company approved a composite Scheme of Arrangement (“the Scheme”) between Atlantic Hotels Private Limited ("Transferor Company"), the Company (“Demerged Company” or "Transferee Company") and S Chand Hotels Private Limited ("Resulting Company I"), SC Hotel Tourist Deluxe Private Limited ("Resulting Company II"), SHAARA Hospitalities Private Limited ("Resulting Company III") and S Chand Properties Private Limited ("Resulting Company IV") which provided for the amalgamation of the Transferor Company with the Transferee Company and the demerger of Hotel Iris Hometel of the Demerged Company (“Demerged Undertaking I”), Hotel Tourist Deluxe of the Demerged Company (“Demerged Undertaking II”), Atlantic Hotel of Demerged Company (“Demerged Undertaking III”) and Real Estate division of the Demerged Company (“Demerged Undertaking IV”) to Resulting Company I to IV respectively with effect from April 1, 2011 (“Appointed Date”).The composite scheme of arrangement was sanctioned by the Hon’ble High Court of Delhi at New Delhi on October 21, 2011 subject to the sanction by the Hon’ble High Court of Judicature at Madras (“the Court”) which was received on Sept 14, 2012 and registered with the Registrar of Companies on October 16, 2012, thereby becoming effective and binding.

Pursuant to the Scheme of Amalgamation, the entire business and functions of the Transferor Company, including all its properties, assets, liabilities and duties were transferred to the Company and the Transferor Company was dissolved without the process of winding up.

The amalgamation of the Transferor Company and the Transferee Company was accounted for in accordance with the pooling of interests method prescribed by the Accounting standard - 14 "Accounting for amalgamations" in pursuance of the Scheme. All assets and liabilities of the Transferor Company as at April 1, 2011, were transferred to and vested in Transferee company on a going concern basis, at their respective book values. Since the entire issued, subscribed and paid up share capital of the Transferor Company was held by the Transferee Company, such share capital of the Transferor Company was cancelled and no shares were issued or allotted in consideration of the amalgamation of the Transferor company and Transferee company.

The salient features of the Scheme with respect to the amalgamation of the Transferor and Transferee Company included:

1. The entire business of Atlantic Hotels Private Limited stood transferred to and vested in the Company as a going concern, so as to become the estate, assets, rights, title and interests of the Transferee Company and its successors;
2. Our Company became entitled to the land with the buildings standing thereon , if any held by the Transferor Company and any documents of title or rights and easements in relation thereto;
3. Any licences, permits, quotas, permissions, or approvals or any such similar tax credit, by whatever name called, sales tax deferrals, brought forward business losses, subsidies, concessions, grants, tenancy rights, liberties enjoyed or conferred upon or held by the Transferor Company stood vested in and became available to the Transferee Company;
4. All suits, actions, or legal proceedings by or against the Transferor Company were transferred to the Transferee Company and were to be continued and enforced by and/or against the Company as effectually as if such suits, actions, or legal proceedings had been pending and/or arising against and/or instituted by or against the Transferee Company;
5. All the employees in the service of the Transferor Company became the employees of the Company, without any break or interruption in service and on the same terms and conditions on which they were engaged by the Transferor Company;
6. The authorised share capital of the Transferor Company stood merged with the authorised share capital of the Transferee Company;
7. In respect of the shares held by the Transferee Company in the Transferor Company, the same stood cancelled on the effective date and both the Companies shall have no further obligation outstanding in this behalf.

All assets and liabilities of the Demerged Undertaking I to IV as at April 1, 2011, were transferred to and vested in Resulting Company I to IV on a going concern basis, at their respective book values. The excess of the assets over liabilities of the Demerged Undertaking aggregating to Rs. 424.7 million has been adjusted against General Reserve in accordance with the provision of the Scheme. In consideration of the transfer of the Demerged Undertaking I to IV, the equity shareholders of the Company were allotted 30,926,693 equity shares of Re. 10/- each, 1,709,711 equity shares of Rs. 10 each, 1,589,894 equity shares of Rs. 10 each, 8,248,394 equity shares of Rs. 10 each credited as fully paid up in the Resulting Companies I to IV respectively for an amount equivalent to the book value of its net assets of the respective Demerged Undertaking, in the same proportion in which they held equity shares in the Company.

The salient features of the Scheme with respect to the demerger included:
1. Any permissions, quotas, sanctions or approvals, concessions, exemptions under various enactments relatable to respective Demerged undertaking(s) stood vested in or transferred and became available to the respective Resulting Company(s);
2. All legal or other proceedings by or against the Demerged Company and relating to the respective Demerged Undertaking(s) were transferred to the respective Resulting Company(s) and were to be continued and enforced by and/or against the respective Resulting Company(s) as effectually as if legal or other proceedings had been pending and/or arising against and/or instituted by or against the respective Resulting Company(s);
3. All the employees exclusively engaged in relation to the respective Demerged Undertaking(s) became the employees of the respective Resulting Company(s), on the same terms and conditions on which they were engaged by the Demerged Company; and without any break or interruption in service;
4. The authorised share capital of the respective Resulting Company(s) stood increased equivalent to the value of shares issued by the respective resulting Company(s).

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VI - Restated unconsolidated statement of share capital

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount
Authorised share capital												
Equity shares of Rs. 1,000 each	-	-	-	-	-	-	-	-	-	-	0.00	2.50
Equity shares of Rs. 10 each	-	-	2.21	22.10	2.21	22.10	2.21	22.10	2.21	22.10	-	-
Equity shares of Rs. 5 each	40.00	200.00	-	-	-	-	-	-	-	-	-	-
Total (A)	**40.00**	**200.00**	**2.21**	**22.10**	**2.21**	**22.10**	**2.21**	**22.10**	**2.21**	**22.10**	**0.00**	**2.50**
Issued share capital												
Equity shares of Rs. 1,000 each	-	-	-	-	-	-	-	-	-	-	0.00	1.00
Equity shares of Rs. 10 each	-	-	0.20	2.02	0.32	3.22	0.32	3.22	0.31	3.13	-	-
Equity shares of Rs. 5 each	29.84	149.22	-	-	-	-	-	-	-	-	-	-
Total (B)	**29.84**	**149.22**	**0.20**	**2.02**	**0.32**	**3.22**	**0.32**	**3.22**	**0.31**	**3.13**	**0.00**	**1.00**
Subscribed and fully paid up share capital												
Equity shares of Rs. 1,000 each	-	-	-	-	-	-	-	-	-	-	0.00	1.00
Equity shares of Rs. 10 each	-	-	0.20	2.02	0.17	1.72	0.17	1.72	0.16	1.63	-	-
Equity shares of Rs. 5 each	29.84	149.22	-	-	-	-	-	-	-	-	-	-
Total (C)	**29.84**	**149.22**	**0.20**	**2.02**	**0.17**	**1.72**	**0.17**	**1.72**	**0.16**	**1.63**	**0.00**	**1.00**
Share forfeiture account												
Equity shares of Rs. 1,000 each (Rs. 300 paid up)	-	-	-	-	-	-	-	-	-	-	0.00	0.45
Equity shares of Rs. 10 each (Rs. 3 paid up)	-	-	-	-	0.15	0.45	0.15	0.45	0.15	0.45	-	-
Total (D)	-	-	-	-	**0.15**	**0.45**	**0.15**	**0.45**	**0.15**	**0.45**	**0.00**	**0.45**
Total share capital (C+D)		**149.22**		**2.02**		**2.17**		**2.17**		**2.08**		**1.45**

Notes:

1) Authorised share capital of the Company was increased by Rs. 2.50 million via board resolution dated September 17, 2012 and by Rs. 17.10 million consequent to demerger order dated October 21, 2011 and September 14, 2012 passed by Hon'ble Delhi High Court and Hon'ble Madras High Court respectively.

2) Equity shares of Rs. 1,000 each were subdivided into 100 equity shares of Rs. 10 each as per resolution passed by shareholders at extraordinary general meeting dated June 30, 2012. Further, Equity shares of Rs. 10 each were subdivided into 2 equity shares of Rs. 5 each as per resolution passed by shareholders at extraordinary general meeting dated April 20, 2016.

3) During the nine months period ended December 31, 2016, authorised share capital of the Company was increased by Rs. 177.90 million to Rs. 200.00 million divided into 40 million equity shares of Rs. 5 each from Rs. 22.10 million divided into 4.42 million equity shares of Rs. 5 each via board resolution dated March 4, 2016 and shareholders' resolution dated April 20, 2016.

4) During the financial year 2015-16, the Company cancelled its 149,900 forfeited equity shares pursuant to resolution passed at Board Meeting dated September 22, 2015 and amount of Rs. 0.45 million has been transferred to Capital Reserve. (Refer Annexure VII).

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VI - Restated unconsolidated statement of share capital

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

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the beginning of the period/year	0.20	2.02	0.17	1.72	0.17	1.72	0.16	1.63	0.00	1.00	0.00	1.00
Issued during the period/year	-	-	0.03	0.30	-	-	0.01	0.09	0.06	0.63	-	-
Issued during the period – Bonus issue	29.44	147.21	-	-	-	-	-	-	-	-	-	-
Issued during the period – Share split	0.20	-	-	-	-	-	-	-	0.10	-	-	-
Outstanding at the end of the period/year	**29.84**	**149.23**	**0.20**	**2.02**	**0.17**	**1.72**	**0.17**	**1.72**	**0.16**	**1.63**	**0.00**	**1.00**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays the dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

Amount of dividend per share recognized as distribution to equity shareholders

(Amount in Rupees)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Equity shares of Rs. 1,000 each (on 1,001 equity shares)	-	-	-	-	2,500	2,500
Equity shares of Rs. 10 each (on 162,776 equity shares)	-	-	-	25	-	-
Equity shares of Rs. 5 each (on 403,304 equity shares)	25	-	-	-	-	-

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

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Equity shares of Rs. 5 each allotted as fully paid bonus shares by capitalization of securities premium (in millions)	29.44	-	-	-	-	-

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

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	No. of shares	% of holdings	No. of shares	% of holdings	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs. 1,000 each fully paid												
Mr. Himanshu Gupta	-	-	-	-	-	-	-	-	-	-	0.00	11.79%
Mrs. Neerja Jhunjhnuwala	-	-	-	-	-	-	-	-	-	-	0.00	19.88%
Mr. Dinesh Kumar Jhunjhnuwala	-	-	-	-	-	-	-	-	-	-	0.00	19.98%
Mrs. Savita Gupta	-	-	-	-	-	-	-	-	-	-	0.00	20.28%
Mrs. Nirmala Gupta	-	-	-	-	-	-	-	-	-	-	0.00	26.47%
Equity shares of Rs. 10 each fully paid												
Everstone Capital Partners II LLC	-	-	0.07	32.27%	0.05	31.75%	0.05	31.75%	0.05	27.74%	-	-
Mr. Himanshu Gupta	-	-	0.04	18.19%	0.04	21.28%	0.01	8.21%	0.01	8.70%	-	-
Mrs. Neerja Jhunjhnuwala	-	-	0.02	11.91%	0.02	13.93%	0.02	13.93%	0.02	14.75%	-	-
Mr. Dinesh Kumar Jhunjhnuwala	-	-	0.02	11.64%	0.02	13.61%	0.02	13.61%	0.02	14.42%	-	-
International Finance Corporation	-	-	0.02	9.40%	-	-	-	-	-	-	-	-
Mrs. Savita Gupta	-	-	0.02	8.36%	0.02	9.79%	0.02	9.79%	0.02	10.36%	-	-
Mrs. Nirmala Gupta	-	-	0.01	6.38%	0.01	7.46%	0.04	20.53%	0.04	21.74%	-	-
Equity shares of Rs. 5 each fully paid												
Everstone Capital Partners II LLC	9.63	32.27%	-	-	-	-	-	-	-	-	-	-
Mr. Himanshu Gupta	6.17	20.67%	-	-	-	-	-	-	-	-	-	-
Mr. Dinesh Kumar Jhunjhnuwala	4.06	13.62%	-	-	-	-	-	-	-	-	-	-
Mrs. Neerja Jhunjhnuwala	3.55	11.91%	-	-	-	-	-	-	-	-	-	-
International Finance Corporation	2.81	9.40%	-	-	-	-	-	-	-	-	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 12 of Annexure XXXV.

Notes:

1) Equity shares of Rs. 10 each were split into 2 equity shares of Rs. 5 each and further, bonus shares were issued to the shareholders in the ratio of 73:1 as per resolution passed at extraordinary general meeting (EGM) dated April 20, 2016.
2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VII - Restated unconsolidated statement of reserves and surplus

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Capital reserve						
Balance as at beginning of the period/year	0.51	0.06	0.06	0.06	0.06	0.06
Add: on cancellation of forfeited shares (Refer Note 1 below)	-	0.45	-	-	-	-
Closing balance (A)	**0.51**	**0.51**	**0.06**	**0.06**	**0.06**	**0.06**
General reserve						
Balance as at beginning of the period/year	603.01	603.01	603.01	603.01	553.01	927.76
Add: amount transferred from surplus balance in the statement of profit and loss	-	-	-	-	50.00	50.00
Less: transfer on account of demerger (Refer note 3 of Annexure V)	-	-	-	-	-	(424.75)
Closing balance (B)	**603.01**	**603.01**	**603.01**	**603.01**	**603.01**	**553.01**
Securities premium account						
Balance as at beginning of the period/year	3,638.92	1,947.95	1,947.95	1,598.05	-	-
Add: premium on issue of equity shares (Refer Note 2, 3 and 4 below)	-	1,699.63	-	349.90	1,598.05	-
Less: utilised during the year against share issue expenses	-	(8.66)	-	-	-	-
Less: utilised towards issue of bonus shares (Refer Note 5 below)	(147.21)	-	-	-	-	-
Closing balance (C)	**3,491.71**	**3,638.92**	**1,947.95**	**1,947.95**	**1,598.05**	**-**
Employee stock options outstanding						
Balance as at beginning of the period/year	5.12	-	-	-	-	-
Add: compensation options granted during the period/year	9.33	5.12	-	-	-	-
Closing balance (D)	**14.45**	**5.12**	**-**	**-**	**-**	**-**
Surplus in the statement of profit and loss						
Balance as at beginning of the period/year (as restated)	590.42	425.62	350.72	246.83	228.09	196.57
Restated profit for the period/year	(300.39)	164.80	76.85	108.62	71.65	88.53
Less: appropriations						
- Interim equity dividend	(10.08)	-	-	-	-	-
- Tax on interim equity dividend	(2.05)	-	-	-	-	-
- Proposed final equity dividend (Refer note 6 below)	-	-	-	(4.07)	(2.50)	(2.50)
- Tax on proposed final equity dividend (Refer note 6 below)	-	-	-	(0.66)	(0.41)	(0.42)
- Transfer to general reserves	-	-	-	-	(50.00)	(54.09)
- Depreciation (net of tax) due to transitional provision of Schedule II of Companies Act, 2013	-		(1.95)	-	-	-
Closing balance (E)	**277.90**	**590.42**	**425.62**	**350.72**	**246.83**	**228.09**
Total reserves and surplus (A+B+C+D+E)	**4,387.58**	**4,837.98**	**2,976.64**	**2,901.74**	**2,447.95**	**781.16**

Notes:

1) During the financial year 2015-16, the Company cancelled its 149,900 forfeited equity shares pursuant to resolution passed at Board Meeting dated September 22, 2015.
2) During the financial year 2012-13, the Company received premium on issuance of 62,676 equity shares of Rs. 10 each at a premium of Rs. 25,496.99 per share.
3) During the financial year 2013-14, the Company converted its 35 compulsory convertible debentures of Rs. 10,000,000 each into 9,577 equity shares of Rs. 10 each at a premium of Rs. 36,535.89 per share as per the share purchase agreement. The same was disclosed as "Compulsory Convertible Debentures" in Annexure VIII for year ended March 31, 2013.
4) During the financial year 2015-16, the Company received premium on issuance of 29,299 equity shares of Rs. 10 each at a premium of Rs. 58,010 per share.
5) During the nine months period ended December 31, 2016, the Company utilized securities premium on issuance of 29,441,192 bonus equity shares of Rs. 5 each at Rs. 5 each pursuant to the ordinary resolution passed at the extra-ordinary general meeting held on April 20, 2016.
6) Dividend proposed by the Board of Directors for years ended March 31, 2011, March 31, 2012 and March 31, 2013 has been considered as non-adjusting event as at respective year ends and has been adjusted against opening reserves and surplus as at April 01, 2011 and reserves and surplus for the years ended March 31, 2012, March 31, 2013 and March 31, 2014 respectively as per requirement of Revised AS-4.
7) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
8) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VIII - Restated unconsolidated statement of long term borrowings

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Secured												
Term loans												
From financial institutions (Refer Note 1(a) below)	242.53	1,058.96	297.13	20.61	603.69	114.11	17.09	16.49	6.15	4.91	-	-
From banks (Refer Note 1(b) below)	-	-	-	-	41.67	33.33	-	-	-	-	-	-
Working capital term loan												
From banks (Refer Note 9 below)	-	-	-	-	-	-	-	6.67	6.67	26.67	33.33	26.67
Vehicle loans												
From banks (Refer Note 10(a) below)	8.23	4.19	11.24	4.19	14.85	6.64	6.68	8.56	10.56	7.82	8.13	4.53
From others (Refer Note 10(b) below)	1.92	1.29	-	-	0.17	0.62	0.82	1.98	2.17	4.52	5.58	5.24
Unsecured												
Compulsorily convertible debentures (Refer Note 11 below)	-	-	-	-	-	-	-	-	350.00	-	-	-
Unsecured loans from related parties												
Intercorporate deposits (Refer Note 12 below)	-	-	-	-	-	-	-	-	-	-	-	9.09
Total	**252.68**	**1,064.44**	**308.37**	**24.80**	**660.38**	**154.70**	**24.59**	**33.70**	**375.55**	**43.92**	**47.14**	**45.53**
The above amount includes:												
Amount disclosed under the head "Other current liabilities" (Annexure XIII)		(1,064.44)	-	(24.80)	-	(154.70)	-	(33.70)	-	(43.92)	-	(45.53)
Net amount	**252.68**	-	**308.37**	-	**660.38**	-	**24.59**	-	**375.55**	-	**47.14**	-

Notes:

1) Key terms and breakdown of term loans are as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. Term loan from financial institutions												
Term loan 1 from Siemens Financial Limited (Refer Note 2 below)	-	-	-	0.64	0.64	3.53	4.16	3.08	-	-	-	-
Term loan 2 from Siemens Financial Limited (Refer Note 2 below)	-	-	-	2.28	2.28	3.05	5.34	2.66	-	-	-	-
Term loan 3 from Siemens Financial Limited (Refer Note 2 below)	-	-	-	1.35	1.35	2.94	4.28	2.56	-	-	-	-
Term loan 4 from Siemens Financial Limited (Refer Note 2 below)	-	0.54	-	2.04	2.04	1.78	2.80	2.55	-	-	-	-
Term loan 5 from Siemens Financial Limited (Refer Note 3 below)	-	1.31	0.33	3.71	4.04	3.24	-	-	-	-	-	-
Term loan 6 from Siemens Financial Limited (Refer Note 3 below)	-	1.41	0.36	3.99	4.35	3.48	-	-	-	-	-	-
Term loan 7 from Siemens Financial Limited (Refer Note 3 below)	-	3.13	1.59	5.86	7.45	5.12	-	-	-	-	-	-
Term loan 8 from Siemens Financial Limited (Refer Note 4 below)	0.22	0.88	0.85	0.74	-	-	-	-	-	-	-	-
Term loan 9 from Indostar Capital Finance Private Limited (Refer Note 5 below)	242.31	51.69	294.00	-	581.54	90.46	-	-	-	-	-	-
Term loan 10 from L&T Finance Limited (Refer Note 6 below)	-	-	-	-	-	0.51	0.51	5.64	6.15	4.91	-	-
Term loan 11 from Axis Finance Limited (Refer Note 7 below)	-	1,000.00	-	-	-	-	-	-	-	-	-	-
Total	**242.53**	**1,058.96**	**297.13**	**20.61**	**603.69**	**114.11**	**17.09**	**16.49**	**6.15**	**4.91**	-	-
b. Term loan from banks												
Term loan from Ratnakar Bank (Refer Note 8 below)	-	-	-	-	41.67	33.33	-	-	-	-	-	-
Total	-	-	-	-	**41.67**	**33.33**	-	-	-	-	-	-

2) Term loan from Siemens Financial Limited has been taken during the financial year 2013-14 and carries interest @ 13.75% p.a. The loan is repayable in 36 equal monthly installments beginning from June 2013 onwards. The installment amount ranges from Rs. 0.18 million to of Rs. 0.32 million. The loan is secured by hypothecation of machine being purchased. Further, the loan has been guaranteed by joint and several personal guarantee of Directors of the Company and demand promissory note issued in favour of lender. Part of loan has been repaid during the nine months period ended December 31, 2016.

3) Term loan from Siemens Financial Limited has been taken during the financial year 2014-15 and carries interest @ 13.50% to 13.75% p.a. The loan is repayable in 36 equal monthly installments beginning from August 2014 onwards. The installment amount ranges from Rs. 0.03 million to Rs. 0.54 million. The loan is secured by hypothecation of assets being purchased. Further, the loan has been guaranteed by joint and several personal guarantees of Directors of the Company and demand promissory note issued in favour of lender.

4) Term loan from Siemens Financial Limited has been taken during the financial year 2015-16 and carries interest @13.50% p.a. The loan is repayable in 36 equal monthly installments of Rs. 0.08 million beginning from April 2015. The loan is secured by hypothecation of assets being purchased.

5) Term loan from Indostar Capital Finance Private Limited has been taken during the financial year 2014-15 and carries interest @ 12.50% to 13.00% p.a. The loan is repayable in 18 quarterly installments beginning from December 2014 onwards. The installment amount ranges from Rs. 14.00 million to Rs 48.46 million per quarter till September 2015. In December 2015, the Company had made early repayment of loan facility amounting to Rs. 350 million, consequent to which repayment schedule has been revised. The remaining loan amount is repayable in 7 quarterly installments ranging from Rs 3.23 million to Rs 48.46 million per quarter beginning from September 2017 onwards. The loan is secured by :
(i) first and exclusive charge on optionally convertible redeemable debentures of New Saraswati House (India) Private Limited by way of pledge,
(ii) first and exclusive charge on 98% equity of Vikas Publishing House Private Limited by way of pledge,
(iii) second pari passu charge on the entire fixed assets of the Company,
(iv) second pari passu charge on all current assets of the Company.

6) Term loan from L&T Finance Limited has been taken during the financial year 2012-13 and carries interest @ 14% p.a. The loan was repayable in 36 equal monthly installments of Rs. 0.51 million each beginning from May 2012. The loan was secured by hypothecation of machine being purchased. Further, the loan has been guaranteed by joint and several personal guarantee of Directors of the Company and demand promissory note issued in favour of lender.

7) Term loan from Axis Finance Limited has been taken during the nine months period ended 31 December 2016 and carries interest @ 11.25 % p.a. The facility has been taken for a period of 5 years and is repayable in 14 equal quarterly installments of Rs. 71,428,571 beginning from June 2018. The facility has been secured against: (i) second pari passu charge on both present and future current and fixed assets of the Company, (ii) pledge on entire stake to be purchased by the Company i.e., 43.54% of Chhaya Prakashani Private Limited, (iii) pledge on 76.10% equity shares of New Saraswati House(India) Private Limited, subsidiary Company, (iv) pledge on 100% equity shares of Eurasia Publishing House Private Limited, wholly owned subsidiary company and (v) PDCs for the interest and principal amount. The above securities are to be shared pari-passu with respect to both the facilities of Axis Finance Limited in borrower i.e., the Company and its subsidiary companies, Eurasia Publishing House Private Limited, New Saraswati House(India) Private Limited and Vikas Publishing House Private Limited. Furthermore, on acquisition of balance shares of Chhaya Prakashani Private Limited, the balance shares is to be charged to Axis Finance Limited.

Moreover, the sanction letter also contains the mandatory prepayment terms as follows:
- Any change in ownership structure and / or management control of borrower companies i.e., the Company and Eurasia Publishing House Private Limited and security providers i.e., New Saraswati House (India) Private Limited and Chhaya Prakashani Private Limited;
- Proceeds from any third party by way of further equity/debt infusion into borrower companies i.e., the Company and Eurasia Publishing House Private Limited;
- Rating downgrade
- Merger events
- Interest reset event, in case borrower is not agreeable with the revised interest rates.

As the Company is in process of Initial Public Offering ("IPO") and has already filed Draft Red Herring Prospectus ("DRHP") on December 16, 2016 with an objective to repay this debt, the Company has disclosed this borrowing as "short term" under current maturities of long term borrowings.

8) Term loan from Ratnakar Bank has been taken during the financial year 2014-15 and carries interest @ 12.50% per annum. The loan was repayable in 12 equal quarterly installments of Rs 8.33 million beginning from July 2014 onwards. The loan was secured by:
(i) first pari passu charges by way hypothecation of the entire current assets of the Company, both present and future,
(ii) first pari passu charges by way hypothecation of the entire movable fixed assets of the Company except which exclusively charge to other lenders,
(iii) pledge of share of the subsidiary company, D S Digital Private Limited (formerly known as S Chand Harcourt Private Limited).
Further the loan has been guaranteed by joint and several personal guarantee of Directors of the Company - Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala.
The entire loan has been repaid during the financial year 2015-16.

9) Working capital term loan from Yes Bank Limited has been taken during the financial year 2011-12 and carries interest @ 13.50 % p.a. The loan is repayable in 36 equal monthly instalments of Rs. 2.22 million each beginning from July 2011. The loan is secured by way of:
(i) exclusive charge on immovable property of M/s Hotel Tourist,
(ii) second pari passu charges on all the current assets and movable fixed assets of the Company,
(iii) personal guarantee of the Directors of the Company - Mr. Dinesh Kumar Jhunjhnuwala and Mr. Himanshu Gupta.

10) Key terms and breakdown of the vehicle loans are as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. Vehicle loans from banks												
Vehicle Loan 1 from Vijaya Bank	-	-	-	-	-	-	-	0.18	0.21	0.23	0.44	0.23
Vehicle Loan 2 from Vijaya Bank	0.67	1.05	1.48	0.98	2.45	0.88	3.33	0.79	-	-	-	-
Vehicle Loan 3 from Vijaya Bank	-	-	-	-	0.25	0.20	0.42	0.18	-	-	-	-
Vehicle Loan 4 from Kotak Mahindra Bank	-	-	-	-	-	-	-	0.12	0.12	0.27	0.39	0.24
Vehicle Loan 5 from Kotak Mahindra Bank	-	-	-	-	-	-	-	-	-	0.11	0.11	0.21
Vehicle Loan 6 from Kotak Mahindra Bank	-	-	-	-	-	-	-	-	-	0.07	0.07	0.26
Vehicle Loan 7 from Kotak Mahindra Bank	-	-	-	-	-	-	-	-	-	-	-	0.20
Vehicle Loan 8 from HDFC Bank	-	-	-	-	-	-	-	0.84	0.84	1.31	2.14	1.16
Vehicle Loan 9 from HDFC Bank	-	-	-	-	-	0.06	0.06	0.73	0.79	0.66	1.45	0.55
Vehicle Loan 10 from HDFC Bank	-	-	-	-	-	0.13	0.13	1.46	1.58	1.32	-	-
Vehicle Loan 11 from HDFC Bank	-	-	-	-	-	0.73	0.73	0.73	1.47	0.66	-	-
Vehicle Loan 12 from HDFC Bank	-	-	-	-	-	-	-	-	-	-	-	0.18
Vehicle Loan 13 from HDFC Bank	-	-	-	-	-	-	-	-	-	-	-	0.14
Vehicle Loan 14 from HDFC Bank	-	-	0.58	0.16	0.74	0.15	-	-	-	-	-	-
Vehicle Loan 15 from HDFC Bank	0.48	0.20	0.63	0.20	0.82	0.15	-	-	-	-	-	-
Vehicle Loan 16 from HDFC Bank	0.32	0.13	0.42	0.12	0.55	0.10	-	-	-	-	-	-

Vehicle Loan 17 from HDFC Bank	0.21	0.10	0.28	0.09	0.37	0.08	-	-	-	-	-	-
Vehicle Loan 18 from HDFC Bank	0.25	0.12	0.34	0.11	0.45	0.10	-	-	-	-	-	-
Vehicle Loan 19 from HDFC Bank	0.91	0.37	1.19	0.35	1.57	0.28	-	-	-	-	-	-
Vehicle Loan 20 from HDFC Bank	0.30	0.12	0.39	0.11	0.50	0.09	-	-	-	-	-	-
Vehicle Loan 21 from HDFC Bank	0.10	0.04	0.13	0.04	0.17	0.03	-	-	-	-	-	-
Vehicle Loan 22 from HDFC Bank	0.32	0.13	0.42	0.12	0.55	0.10	-	-	-	-	-	-
Vehicle Loan 23 from HDFC Bank	0.33	0.13	0.43	0.12	0.56	0.10	-	-	-	-	-	-
Vehicle Loan 24 from HDFC Bank	0.30	0.12	0.39	0.11	0.50	0.09	-	-	-	-	-	-
Vehicle Loan 25 from HDFC Bank	0.30	0.12	0.39	0.11	0.50	0.09	-	-	-	-	-	-
Vehicle Loan 26 from HDFC Bank	0.28	0.11	0.37	0.10	0.48	0.09	-	-	-	-	-	-
Vehicle Loan 27 from HDFC Bank	0.39	0.19	0.54	0.18	0.72	0.16	-	-	-	-	-	-
Vehicle Loan 28 from HDFC Bank	0.22	0.11	0.30	0.10	0.40	0.09	-	-	-	-	-	-
Vehicle Loan 29 from HDFC Bank	-	-	-	-	0.38	0.08	-	-	-	-	-	-
Vehicle Loan 30 from HDFC Bank	0.21	0.10	0.28	0.09	0.38	0.08	-	-	-	-	-	-
Vehicle Loan 31 from HDFC Bank	0.21	0.10	0.28	0.09	0.38	0.08	-	-	-	-	-	-
Vehicle Loan 32 from HDFC Bank	-	-	0.30	0.10	0.40	0.09	-	-	-	-	-	-
Vehicle Loan 33 from HDFC Bank	-	0.16	0.06	0.36	0.43	0.33	-	-	-	-	-	-
Vehicle Loan 34 from HDFC Bank	0.41	0.20	0.56	0.19	0.75	0.17	-	-	-	-	-	-
Vehicle Loan 35 from HDFC Bank	0.32	0.13	0.40	0.12	0.55	0.10	-	-	-	-	-	-
Vehicle Loan 36 from HDFC Bank	0.84	0.20	-	-	-	-	-	-	-	-	-	-
Vehicle Loan 37 from ICICI Bank	-	-	-	-	-	-	-	-	-	-	3.53	1.36
Vehicle Loan 38 from ICICI Bank	-	-	-	-	-	0.43	0.43	1.26	1.69	1.13	-	-
Vehicle Loan 39 from ICICI Bank	-	-	-	-	-	0.19	0.19	0.55	0.74	0.50	-	-
Vehicle Loan 40 from ICICI Bank	-	-	-	-	-	1.39	1.39	1.72	3.12	1.56	-	-
Vehicle Loan 41 from ICICI Bank	0.43	0.13	0.54	0.12	-	-	-	-	-	-	-	-
Vehicle Loan 42 from ICICI Bank	0.43	0.13	0.54	0.12	-	-	-	-	-	-	-	-
Total	**8.23**	**4.19**	**11.24**	**4.19**	**14.85**	**6.64**	**6.68**	**8.56**	**10.56**	**7.82**	**8.13**	**4.53**

Particulars	**As at December 31, 2016**		**As at March 31, 2016**		**As at March 31, 2015**		**As at March 31, 2014**		**As at March 31, 2013**		**As at March 31, 2012**	
	Non - current	**Current**	**Non - current**	**Current**	**Non - current**	**Current**	**Non - current**	**Current**	**Non - current**	**Current**	**Non - current**	**Current**
b. Vehicle loans from others												
Vehicle Loan 1 from Tata Capital Limited	-	-	-	-	-	-	-	0.28	0.28	0.45	0.73	0.40
Vehicle Loan 2 from Tata Capital Limited	-	-	-	-	0.06	0.14	0.21	0.13	0.33	0.11	0.48	0.06
Vehicle Loan 3 from Tata Capital Limited	-	-	-	-	-	0.22	0.22	0.49	0.71	0.44	-	-
Vehicle Loan 4 from Tata Capital Limited	-	-	-	-	-	-	-	-	-	-	-	0.64
Vehicle Loan 5 from BMW India Financial Services	-	-	-	-	-	-	-	-	-	1.39	1.39	2.22
Vehicle Loan 6 from Volkswagen Finance Private Limited	-	-	-	-	-	-	-	0.68	0.68	1.10	1.78	1.00
Vehicle Loan 7 from Volkswagen Finance Private Limited	-	-	-	-	-	-	-	0.17	0.17	1.03	1.20	0.92
Vehicle Loan 8 from Volkswagen Finance Private Limited	-	-	-	-	0.11	0.26	0.39	0.23	-	-	-	-
Vehicle Loan 9 from Daimler Financial Services India Private Limited	1.92	1.29										
Total	**1.92**	**1.29**	**-**	**-**	**0.17**	**0.62**	**0.82**	**1.98**	**2.17**	**4.52**	**5.58**	**5.24**

Description for vehicle loans from banks:

Vehicle loan 1 from Vijaya Bank having interest rate of 11.80% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from August 2013 and is secured against hypothecation of vehicles.
Vehicle loan 2 from Vijaya Bank having interest rate of 10.75% per annum is repayable in 60 monthly installments of Rs. 0.10 million each beginning from August 2013 and is secured against hypothecation of vehicles.
Vehicle loan 3 from Vijaya Bank having interest rate of 11% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from April, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 4 from Kotak Mahindra Bank carries interest rate of 12.70% per annum is repayable in 36 monthly installments of Rs. 0.03 million each beginning from August, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 5 from Kotak Mahindra Bank carries interest rate of 9.65% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from April, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 6 from Kotak Mahindra Bank carries interest rate of 10.23% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from May, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 7 from Kotak Mahindra Bank carries interest rate of 10.65% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from Feb, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 8 from HDFC Bank carries interest rate of 11.76% per annum is repayable in 36 monthly installments of Rs. 0.12 million each beginning from November, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 9 from HDFC Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.06 million each beginning from May, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 10 from HDFC Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.13 million each beginning from May 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 11 from HDFC Bank carries interest rate of 9.58% per annum repayable in 36 monthly installments of Rs. 0.07 million each beginning from March, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 12 from HDFC Bank carries interest rate of 11% per annum is repayable in 36 monthly installments of Rs. 0.03 million each beginning from October, 2009 and is secured against hypothecation of vehicles.
Vehicle Loan 13 from HDFC Bank carries interest rate of 11% per annum is repayable in 36 monthly installments of Rs. 0.05 million each beginning from September, 2009 and is secured against hypothecation of vehicles.
Vehicle Loan 14 from HDFC Bank carries interest rate of 10.25% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from March, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 15 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 16 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 17 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Nov, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 18 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Nov, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 19 from HDFC Bank carries interest rate of 10.25% per annum is repayable in 60 monthly installments of Rs. 0.04 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 20 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 21 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.00 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 22 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.

Vehicle Loan 23 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 24 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 25 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 26 from HDFC Bank carries interest rate of 11% per annum repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 27 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 28 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 29 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 30 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 31 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 32 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 33 from HDFC Bank carries interest rate of 10.77% per annum is repayable in 60 monthly installments of Rs. 0.03 million each beginning from June, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 34 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 35 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 36 from HDFC Bank carries interest rate of 9.65% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from June, 2016 and is secured against hypothecation of vehicles.
Vehicle Loan 37 from ICICI Bank carries interest rate of 9.11% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from November, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 38 from ICICI Bank carries interest rate of 10.95% per annum is repayable in 36 monthly installments of Rs. 0.12 million each beginning from Aug, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 39 from ICICI Bank carries interest rate of 10.95% per annum is repayable in 36 monthly installments of Rs. 0.05 million each beginning from Aug, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 40 from ICICI Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.16 million each beginning from Feb, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 41 from ICICI Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Sept, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 42 from ICICI Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Sept, 2015 and is secured against hypothecation of vehicles.

Description for vehicle loans from others:

Vehicle Loan 1 from Tata Capital Limited carries interest rate of 11.50% per annum is repayable in 36 monthly installments of Rs. 0.04 million each beginning from October, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 2 from Tata Capital Limited carries interest rate of 12.20% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Sept, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 3 from Tata Capital Limited carries interest rate of 11.36% per annum is repayable in 36 monthly installments of Rs. 0.05 million each beginning from Sept, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 4 from Tata Capital Limited carries interest rate of 9.10% per annum is repayable in 36 monthly installments of Rs. 0.06 million each beginning from April, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 5 from BMW India Financial Services carries interest rate of 8.75% per annum is repayable in 35 monthly installments of Rs. 0.20 million each beginning from December, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 6 from Volkswagen Finance Private Limited carries interest rate of 10.00% per annum is repayable in 36 monthly installments of Rs. 0.10 million each beginning from November, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 7 from Volkswagen Finance Private Limited carries interest rate of 10.81% per annum is repayable in 36 monthly installments of Rs. 0.09 million each beginning from June, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 8 from Volkswagen Finance Private Limited carries interest rate of 10.82% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from Sep, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 9 from Daimler Financial Services India Private Limited carries interest rate of 9.81% per annum is repayable in 36 monthly installments of Rs. 0.13 million each beginning from May, 2016 and is secured against hypothecation of vehicles.

11) 35 compulsory convertible debentures of Rs. 10.00 million each with 0% interest rate were issued to Everstone Capital Partners II LLC and were convertible into equity shares at Rs. 350.00 million on or after March 31, 2014. These compulsory convertible debentures had been converted into 9,577 equity shares during the financial year 2013-14 as per share purchase agreement. The value determined for conversion is Rs. 36,545.89 per share.

12) Details of Intercorporate deposits are as follows: **(Amount in Rupees million)**

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
RKG Hospitalities Private Limited	-	-	-	-	-	-	-	-	-	-	-	9.09

The inter corporate deposit is repayable in 11 quarterly instalments of Rs. 4.55 million each at interest rate of 9% per annum through post dated cheques issued to the lender.

13) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
14) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IX - Restated unconsolidated statement of net deferred tax assets/(liabilities)

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Deferred tax assets						
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	5.80	5.29	3.07	1.74	1.25	0.86
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1.20	-	-	-	-	-
Provision for doubtful debts	17.98	8.29	5.37	4.29	4.50	1.03
Provision for diminution in value of investments	-	-	-	-	0.42	0.45
Others	140.88	-	-	0.85	11.58	11.01
Deferred tax assets (A)	**165.86**	**13.58**	**8.44**	**6.88**	**17.76**	**13.35**
Deferred tax liabilities						
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	2.69	5.08	6.80	3.18	4.24
Others	-	0.00	0.23	0.60	2.17	4.26
Deferred tax liabilities (B)	**-**	**2.69**	**5.31**	**7.40**	**5.35**	**8.50**
Net deferred tax asset / (liability) (A-B)	**165.86**	**10.89**	**3.13**	**(0.53)**	**12.41**	**4.85**

Notes:

1) The Company has recognized deferred tax assets on interim losses for the nine months period ended 31 December 2016. Considering seasonality of business, ongoing production process and higher sales in the month of December along with pending sales order to be executed in coming months and profitable historical trend for full year operation, the Management is virtually certain of availability of future taxable income at the end of the accounting year against which deferred tax assets will be
2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure X - Restated unconsolidated statement of trade payables

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Trade payables												
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 6 in Annexure XXXV for details of dues to micro and small enterprises)	-	0.89	-	1.18	-	-	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	4.33	309.01	2.56	382.95	0.20	479.15	-	442.72	-	343.77	-	273.70
- Trade payables to related entities	-	363.49	-	689.24	-	624.94	-	451.54	-	367.91	-	459.75
Total	**4.33**	**673.39**	**2.56**	**1,073.37**	**0.20**	**1,104.09**	**-**	**894.26**	**-**	**711.68**	**-**	**733.45**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.
3) Following are the amount due to related parties:

(Amount in Rupees million)

Particulars	Relationship	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
		Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Nirja Publishers & Printers Private Limited	Subsidiary	-	214.91	-	247.31	-	310.80	-	169.406	-	113.01	-	118.82
Rajendra Ravindra Printers Private Limited	Subsidiary	-	-	-	-	-	-	-	86.826	-	106.07	-	-
	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	136.22
Eurasia Publishing House Private Limited	Subsidiary	-	4.88	-	170.22	-	222.48	-	181.586	-	137.30	-	-
	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	104.07
Blackie & Son (Calcutta) Private Limited	Subsidiary	-	14.23	-	14.99	-	21.30	-	10.450	-	-	-	-
	Associate	-	-	-	-	-	-	-	-	-	-	-	4.79
Vikas Publishing House Private Limited	Subsidiary	-	128.72	-	242.52	-	70.09	-	2.087	-	-	-	-
BPI (India) Private Limited	Subsidiary	-	-	-	-	-	-	-	0.201	-	1.35	-	-
DS Digital Private Limited (formerly S Chand Harcourt (India) Private Limited)	Subsidiary	-	-	-	13.99	-	-	-	-	-	-	-	-
S Chand Technologies Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	0.09
M/s Hotel Tourist (Partnership Firm)	Enterprises over which KMP exercise significant influence	-	0.15	-	0.21	-	0.27	-	0.968	-	0.52	-	0.26
SC Hotel Tourist Deluxe Private Limited	Subsidiary	-	0.40	-	-	-	-	-	-	-	-	-	0.49
SHAARA Hospitalities Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	0.74
S Chand Properties Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	12.97
RKG Hospitalities Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	9.66	-	11.30
S Chand & Company (Firm)	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	70.00
Smartivity Labs Private Limited	Enterprises over which KMP exercise significant influence	-	0.20	-	-	-	-	-	-	-	-	-	-
Total		**-**	**363.49**	**-**	**689.24**	**-**	**624.94**	**-**	**451.54**	**-**	**367.91**	**-**	**459.75**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XI - Restated unconsolidated statement of provisions

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Provision for employee benefits												
Provision for gratuity (Refer Note 4 of Annexure XXXV	13.03	-	7.68	-	8.87	-	5.11	-	3.68	-	2.54	-
Others												
Provision for income tax (net of advance tax)	-	-	-	49.19	-	-	-	-	-	12.67	-	8.74
Proposed dividend	-	-	-	-	-	-	-	-	-	-	-	-
Dividend tax	-	-	-	-	-	-	-	-	-	-	-	-
Provision for wealth tax	-	-	-	-	-	0.00	-	0.33	-	0.19	-	0.13
Total	**13.03**	-	**7.68**	**49.19**	**8.87**	**0.00**	**5.11**	**0.33**	**3.68**	**12.86**	**2.54**	**8.87**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XII - Restated unconsolidated statement of short term borrowings

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Secured						
Loans repayable on demand						
From banks						
Working capital demand loan (Refer Note 1 below)	620.00	220.00	-	-	200.00	-
Cash credit (Refer Note 2 below)	168.79	276.81	277.78	259.57	74.80	267.50
Short term loan (Refer Note 9 below)	-	-	75.00	75.00	75.00	75.00
Total (A)	**788.79**	**496.81**	**352.78**	**334.57**	**349.80**	**342.50**
Unsecured						
Loans repayable on demand						
Loans and advances from related parties						
From directors (Refer Note 10 below)	-	-	-	-	-	75.00
Total (B)	**-**	**-**	**-**	**-**	**-**	**75.00**
Total (A+B)	**788.79**	**496.81**	**352.78**	**334.57**	**349.80**	**417.50**

Notes:

1) Breakdown of the working capital demand loan is as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Working Capital Demand Loan 1 from HDFC Bank (Refer Note 3 below)	270.00	200.00	-	-	200.00	-
Working Capital Demand Loan 2 from Kotak Mahindra Bank (Refer Note 4 below)	100.00	20.00	-	-	-	-
Working Capital Demand Loan 3 from DBS Bank (Refer Note 5 below)	100.00	-	-	-	-	-
Working Capital Demand Loan 4 from Standard Chartered Bank (Refer Note 6 below)	150.00	-	-	-	-	-
Total	**620.00**	**220.00**	**-**	**-**	**200.00**	**-**

2) Breakdown of the Cash credit is as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Cash credit 1 from HDFC Bank (Refer Note 3 below)	-	-	177.63	225.87	14.99	228.76
Cash credit 2 from Kotak Mahindra Bank (Refer Note 4 below)	-	79.01	-	-	-	-
Cash credit 3 from DBS Bank (Refer Note 5 below)	49.88	-	-	-	-	-
Cash credit 4 from Standard Chartered Bank (Refer Note 6 below)	-	137.02	-	-	-	-
Cash credit 5 from State Bank of Patiala (Refer Note 7 below)	-	-	-	-	-	38.74
Cash credit 6 from IndusInd Bank (Refer Note 8 below)	118.91	60.78	100.15	33.70	59.81	-
Total	**168.79**	**276.81**	**277.78**	**259.57**	**74.80**	**267.50**

3) Working capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank Limited (under Multiple Banking Arrangement with IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and DBS Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company and Corporate Guarantee of Nirja Publishers & Printers Private Limited. The working capital demand loan carries interest ranging from 9.75% per annum to 10.25% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 11.50% per annum to 12.00% per annum during the year ended March 31, 2016. Cash credit carries interest rate ranging from 11.25% per annum to 11.30% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 11.30% per annum to 12.00% per annum during the year ended March 31, 2016.

Working capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank Limited (under Multiple Banking Arrangement with IndusInd Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company from June 05, 2013 and Corporate Guarantee of Nirja Publishers and Printers Private Limited. The working capital demand loan carries interest rate ranging from 11.50% per annum to 12.00% per annum during the year ended March 31, 2015 and March 31, 2014 (March 31, 2013: 12% per annum to 12.30% per annum). Cash credit carries interest rate of 12% per annum to 13.75% per annum during the year ended March 31, 2015 (March 31, 2014: 13.35% per annum to 13.75% per annum, March 31, 2013 : 13.35% per annum to 13.75% per annum)

Working capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank (under Multi Banking Arrangement with State Bank of Patiala), is secured by way of first charge on pari passu basis with State Bank of Patiala and Yes Bank Limited, on the entire existing and future current assets and movable fixed assets of the company except assets which are specifically charged to other lenders along with personal guarantee of Mr. Himanshu Gupta - director of the Company upto Feb 21, 2012 and personal guarantee of Mr. Himanshu Gupta, Mrs. Savita Gupta, Mrs. Neerja Jhunjhnuwala and Mrs. Nirmala Gupta - directors of the Company subsequent to Feb 21, 2012. Working capital demand loan carries interest rate of 12% per annum to 13.25% per annum during the year ended March 31, 2012. Cash credit carries interest rate ranging from of 12.45% per annum 13.75% per annum during the year ended March 31, 2012.

4) Working capital demand loan and cash credit facility on a fully interchangeable basis from Kotak Mahindra Bank (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Standard Chartered Bank and DBS Bank) taken during the financial year 2015-16 is secured by way of first pari passu hypothecation charge on all existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company. This loan carries interest rate ranging from 9.65% per annum to 10.25% per annum during the nine months period ended December 31, 2016, interest rate ranging from 10.25% per annum to 10.75% per annum during the year ended March 31, 2016. Cash credit carries interest @ 11.22% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 11.22% per annum to 11.30% per annum during the year ended March 31, 2016.

5) Working capital demand loan and cash credit facility on a fully interchangeable basis from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Standard Chartered Bank and Kotak Mahindra bank) taken during the nine months period ended December 31, 2016 is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (except for the assets specifically charged to other lenders) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company. This loan carries interest rate ranging from 9.25% per annum to 9.50% per annum during the nine months period ended December 31, 2016. Cash credit carries interest rate of 10.85% per annum during the nine months period ended December 31, 2016

6) Working capital demand loan and cash credit facility from Standard Chartered Bank (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank and DBS Bank) taken during the financial year 2015-16 is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company. This loan carries interest rate ranging from 10.25% per annum to 10.50% per annum during the year ended March 31, 2016 and from 9.25% per annum to 10.25% per annum during the nine months period ended December 31, 2016. Cash credit carries interest rate of 10.72% per annum during the year ended March 31, 2016.

7) Cash credit from State Bank of Patiala (under Multi Banking Arrangement with HDFC Bank), is secured by way of first charge on pari passu basis with HDFC Bank and Yes Bank Limited, on the entire current assets and movable fixed assets of the company except assets which are specifically charged to other lenders along with personal guarantee of Mr. Himanshu Gupta, Director of the Company and Corporate guarantee of Rajendra Ravindra Printers Private Limited. It carries interest rate of 15.25% per annum during the year ended March 31, 2012 and March 31, 2013.

8) Cash credit from IndusInd Bank Ltd (under Multiple Banking Arrangement with HDFC Bank, Standard Chartered Bank, Kotak Mahindra Bank and DBS Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta - director of the Company. It carries interest @ 12.35% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 12.35% per annum to 12.75% per annum during the year ended March 31, 2016, 11.75% per annum to 12.50% per annum during the year ended March 31, 2015 and March 31, 2014 (March 31, 2013 : 12.15% per annum to 12.75% per annum).

9) Short term loan from Yes Bank Limited is secured by way of exclusive charge on immovable property of M/s Hotel Tourist and second pari passu charges on all the current assets and movable fixed assets of the Company and personal guarantee of Mrs. Nirmala Gupta and Mr. Himanshu Gupta - directors of the Company. The loan carries interest rate ranging from 12.25% per annum to 12.50% per annum during the year ended March 31, 2016, 12.5% per annum during the year ended March 31, 2015 and March 31, 2014 (March 31, 2013 : 12% per annum to 12.85% per annum, March 31, 2012: 12.5% per annum). The term of renewal varies from 90 to 180 days at the option of the borrower. The facility has been repaid during the financial year 2015-16.

10) Interest free loans and advances from directors are as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Mrs. Nirmala Gupta		-	-	-	-	10.00
Mrs. Savita Gupta		-	-	-	-	65.00
Total	**-**	**-**	**-**	**-**	**-**	**75.00**

11) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
12) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIII - Restated unconsolidated statement of other current liabilities

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Current maturities of long term borrowings (Refer Annexure VIII)	1,064.44	24.80	154.70	33.70	43.92	45.53
Interest accrued but not due on borrowings	0.14	0.26	0.44	1.38	3.52	1.51
Interest accrued and due	-	-	0.56	-	-	-
Interest on outstanding dues of micro enterprises and small enterprise	0.01	0.01	-	-	-	-
Security deposits/ earnest money received	11.12	0.62	0.62	0.42	0.42	0.53
Advances from customers	71.18	5.42	12.03	10.19	7.31	2.80
Advances against assets held for sale	4.50	-	-	-	-	-
Statutory dues payable	11.53	45.80	42.47	33.83	29.27	21.20
Book overdraft	-	-	0.03	-	-	0.69
Total	**1,162.92**	**76.91**	**210.85**	**79.52**	**84.44**	**72.26**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIVA - Restated unconsolidated statement of property, plant and equipment

Gross Block **(Amount in Rupees million)**

Particulars	Land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Others - Computer	Total
As at April 01, 2011	288.41	339.60	195.01	16.17	108.16	59.59	-	33.16	**1,040.10**
Additions	-	-	3.96	3.54	1.66	20.16	-	3.61	**32.93**
Adjustments on amalgamation	0.88	3.62	-	1.62	0.80	3.81	-	-	**10.73**
Deletions	-	-	(2.37)	-	(0.05)	(7.51)	-	(0.04)	**(9.97)**
Adjustments on demerger	(289.29)	(343.22)	(89.98)	(1.65)	(75.56)	(4.62)	-	(4.27)	**(808.59)**
As at March 31, 2012	-	-	**106.62**	**19.68**	**35.01**	**71.43**	**-**	**32.46**	**265.20**
Additions	-	-	20.37	2.18	2.39	25.24	2.06	1.58	**53.82**
Deletions	-	-	(3.23)	-	-	(18.55)	-	-	**(21.78)**
As at March 31, 2013	-	-	**123.76**	**21.86**	**37.40**	**78.12**	**2.06**	**34.04**	**297.24**
Additions	-	-	11.32	5.04	4.09	22.30	1.02	65.93	**109.70**
Deletions	-	-	-	-	(0.26)	(1.67)	-	-	**(1.93)**
As at March 31, 2014	-	-	**135.08**	**26.90**	**41.23**	**98.75**	**3.08**	**99.97**	**405.01**
Additions	-	-	13.24	9.07	9.53	21.24	5.56	25.76	**84.40**
Deletions	-	-	(67.55)	-	-	(6.75)	-	(0.00)	**(74.32)**
As at March 31, 2015	-	-	**80.77**	**35.97**	**50.76**	**113.24**	**8.64**	**125.73**	**415.09**
Additions	-	-	1.54	6.31	3.49	4.83	3.06	7.11	**26.34**
Deletions	-	-	(23.51)	(0.06)	(0.00)	(17.21)	-	(0.22)	**(41.00)**
As at March 31, 2016	-	-	**58.80**	**42.22**	**54.25**	**100.86**	**11.70**	**132.62**	**400.43**
Additions	-	-	0.41	1.49	0.07	19.42	0.41	0.76	**22.56**
Deletions	-	-	-	(0.12)	(0.01)	(12.60)	-	(0.08)	**(12.81)**
Adjustment for asset held for sale	-	-	-	-	-	(10.35)	-	-	**(10.35)**
As at December 31, 2016	**-**	**-**	**59.21**	**43.59**	**54.31**	**97.33**	**12.11**	**133.30**	**399.83**

Depreciation

Particulars	Land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Others - Computer	Total
As at April 01, 2011	-	54.62	89.61	4.23	24.67	30.28	-	25.47	**228.88**
Adjustments on amalgamation	-	2.93	-	1.24	0.58	1.72	-	-	**6.47**
Charge for the year	-	-	4.79	2.15	3.72	7.61	-	2.55	**20.83**
Deletions	-	-	(0.92)	-	(0.02)	(4.66)		(0.03)	**(5.64)**
Adjustments on demerger	-	(57.55)	(18.29)	(1.24)	(11.57)	(1.83)	-	(1.19)	**(91.67)**
As at March 31, 2012	-	-	**75.19**	**6.38**	**17.39**	**33.12**	**-**	**26.80**	**158.87**
Charge for the year	-	-	7.30	2.22	3.62	10.03	0.39	2.97	**26.53**
Deletions	-	-	(2.13)	-	-	(11.86)	-	-	**(13.99)**
As at March 31, 2013	-	-	**80.36**	**8.60**	**21.01**	**31.29**	**0.39**	**29.77**	**171.39**
Charge for the year	-	-	6.91	3.07	3.61	15.13	0.80	15.57	**45.08**
Deletions	-	-	-	-	(0.19)	(1.46)	-	-	**(1.65)**
As at March 31, 2014	-	-	**87.27**	**11.67**	**24.43**	**44.96**	**1.19**	**45.34**	**214.82**
Charge for the year	-	-	6.10	9.50	5.52	16.25	1.17	29.98	**68.52**
Deletions	-	-	(55.11)	-	-	(5.31)	-	(0.03)	**(60.45)**
Adjustments (Refer Note 3 below)	-	-	-	1.80	-	-	-	0.16	**1.95**
As at March 31, 2015	-	-	**38.26**	**22.97**	**29.95**	**55.90**	**2.36**	**75.45**	**224.84**
Charge for the year	-	-	4.36	7.49	6.34	14.79	1.53	21.14	**55.65**
Deletions	-	-	(8.63)	(0.05)	(0.00)	(11.58)		(0.18)	**(20.44)**
As at March 31, 2016	-	-	**33.99**	**30.41**	**36.29**	**59.11**	**3.89**	**96.41**	**260.05**
Charge for the period	-	-	2.46	3.95	3.73	10.48	1.13	10.67	**32.41**
Deletions	-	-	-	(0.11)	(0.01)	(8.61)	-	(0.04)	**(8.77)**
Adjustment for asset held for sale	-	-	-	-	-	(6.37)	-	-	**(6.37)**
As at December 31, 2016	**-**	**-**	**36.45**	**34.25**	**40.01**	**54.61**	**5.02**	**107.04**	**277.32**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIVA - Restated unconsolidated statement of property, plant and equipment

Net Block **(Amount in Rupees million)**

Particulars	Land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Others - Computer	Total
As at March 31, 2012	**-**	**-**	**31.43**	**13.30**	**17.62**	**38.31**	**-**	**5.66**	**106.33**
As at March 31, 2013	**-**	**-**	**43.40**	**13.26**	**16.39**	**46.83**	**1.67**	**4.27**	**125.85**
As at March 31, 2014	**-**	**-**	**47.81**	**15.23**	**16.80**	**53.79**	**1.89**	**54.63**	**190.19**
As at March 31, 2015	**-**	**-**	**42.51**	**13.00**	**20.81**	**57.34**	**6.28**	**50.28**	**190.25**
As at March 31, 2016	**-**	**-**	**24.81**	**11.81**	**17.96**	**41.75**	**7.81**	**36.21**	**140.38**
As at December 31, 2016	**-**	**-**	**22.76**	**9.34**	**14.30**	**42.72**	**7.09**	**26.26**	**122.51**

Notes:

1) **Plant and equipment includes plant given on operating lease:**

Particulars	As at December 31, 2016	As at March 31,	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Gross block	21.56	21.56	21.56	38.53	34.96	17.97
Depreciation charge for the year	1.16	1.73	1.86	5.63	5.03	2.50
Accumulated depreciation	9.02	7.86	6.13	13.16	7.53	2.50
Net book value	12.54	13.70	15.43	25.38	27.43	15.47

2) **Others - Computer includes computer given on operating lease:**

Particulars	As at December 31, 2016	As at March 31,	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Gross block	77.32	77.32	79.37	57.25	-	-
Depreciation charge for the year	7.08	15.53	25.84	12.51	-	-
Accumulated depreciation	60.97	53.89	38.35	12.51	-	-
Net book value	16.35	23.43	41.02	44.74	-	-

3) Adjustments includes amount of Rs. 1.95 million which represents the net of tax amount which has been adjusted with Reserves in terms of transition provision of Schedule II of the Companies Act, 2013.
4) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
5) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIVB - Restated unconsolidated statement of intangible assets

Gross Block **(Amount in Rupees million)**

Particulars	Goodwill	Computer Software	Copyright	Publishing rights	In-house content development	Total
As at April 01, 2011	42.21	-	-	5.25	-	**47.46**
Additions	-	-	-	-	-	**-**
Deletions	-	-	-	-	-	**-**
Acquired through business combinations	32.68	-	-	-	-	**32.68**
As at March 31, 2012	**74.89**	**-**	**-**	**5.25**	**-**	**80.14**
Additions	**-**	3.86	**-**	**-**	-	**3.86**
Deletions	**-**	**-**	**-**	**-**	-	**-**
As at March 31, 2013	**74.89**	**3.86**	**-**	**5.25**	**-**	**84.00**
Additions	-	2.30	-	-	-	**2.30**
Deletions	-	-	-	-	-	**-**
As at March 31, 2014	**74.89**	**6.16**	**-**	**5.25**	**-**	**86.30**
Additions	**-**	45.09	0.92	-	-	**46.01**
Deletions	**-**	**-**	**-**	**-**	-	**-**
As at March 31, 2015	**74.89**	**51.25**	**0.92**	**5.25**	**-**	**132.31**
Additions	**-**	6.81	20.78	**-**	29.35	**56.94**
Deletions	**-**	**-**	**-**	**-**	-	**-**
As at March 31, 2016	**74.89**	**58.06**	**21.70**	**5.25**	**29.35**	**189.25**
Additions	**-**	5.66	**-**	**-**	**-**	**5.66**
Deletions	**-**	**-**	**-**	**-**	**-**	**-**
As at December 31, 2016	**74.89**	**63.72**	**21.70**	**5.25**	**29.35**	**194.91**

Amortization

Particulars	Goodwill	Computer Software	Copyright	Publishing rights	In-house content development	Total
As at April 01, 2011	16.88	-	-	4.73	-	**21.61**
Charge for the year	4.22	-	-	0.52	-	**4.74**
Deletions	-	-	-	-	-	**-**
As at March 31, 2012	**21.10**	**-**	**-**	**5.25**	**-**	**26.35**
Charge for the year	7.49	0.35	-	-	-	**7.84**
Deletions	-	-	-	-	-	**-**
As at March 31, 2013	**28.59**	**0.35**	-	**5.25**	**-**	**34.19**
Charge for the year	7.49	1.35	-	-	-	**8.84**
Deletions	-	-	-	-	-	**-**
As at March 31, 2014	**36.08**	**1.70**	**-**	**5.25**	**-**	**43.03**
Charge for the year	7.49	4.43	0.00	-	-	**11.92**
Deletions	-	-	-	-	-	**-**
As at March 31, 2015	**43.57**	**6.13**	**0.00**	**5.25**	**-**	**54.95**
Charge for the year	7.49	6.99	0.97	-	2.94	**18.39**
Deletions	-	-	-	-	-	**-**
As at March 31, 2016	**51.06**	**13.12**	**0.97**	**5.25**	**2.94**	**73.34**
Charge for the period	5.64	13.32	2.68	-	1.99	**23.63**
Deletions	-	-	-	-	-	**-**
As at December 31, 2016	**56.70**	**26.44**	**3.65**	**5.25**	**4.93**	**96.97**

Net Block

Particulars	Goodwill	Computer Software	Copyright	Publishing rights	In-house content development	Total
As at March 31, 2012	**53.79**	-	-	**0.00**	**-**	**53.79**
As at March 31, 2013	**46.30**	**3.51**	**-**	**-**	**-**	**49.81**
As at March 31, 2014	**38.81**	**4.46**	**-**	**-**	**-**	**43.27**
As at March 31, 2015	**31.32**	**45.12**	**0.92**	**0.00**	**-**	**77.36**
As at March 31, 2016	**23.83**	**44.94**	**20.73**	**0.00**	**26.41**	**115.91**
As at December 31, 2016	**18.19**	**37.28**	**18.05**	**0.00**	**24.42**	**97.94**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XV - Restated unconsolidated statement of non current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Trade investments (valued at cost unless stated otherwise)												
Investment in subsidiaries												
a. Investments in preference shares (Unquoted)												
72.17% Preference Shares of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) of Rs. 10 each fully paid up (1% optionally convertible non-cumulative, non-participating preference shares.)	16,000,000	160.00	-	-	-	-	-	-	-	-	-	-
Total (A)	**16,000,000**	**160.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
b. Investment in equity instruments (Unquoted)												
Equity shares of Blackie & Sons (Calcutta) Private Limited of Rs. 1,000 each fully paid up (Refer Note 1 below)	149	60.79	149	60.79	149	60.79	149	60.79	149	60.79	-	-
Equity shares of Nirja Publishers and Printers Private Limited of Rs. 100 each fully paid up (Refer Note 2 below)	12,000	15.60	12,000	15.60	12,000	15.60	12,000	15.60	12,000	15.60	12,000	15.60
Equity shares of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited) of Rs. 10 each fully paid up (Refer Note 3 below)	26,584,268	265.84	26,584,168	265.84	26,584,168	265.84	5,334,268	53.34	10,000	0.10	10,000	0.10
Equity shares of Rajendra Ravindra Printers Private Limited of Rs. 1,000 each fully paid up (Refer Note 4 below)	-	-	-	-	706	96.98	706	96.98	706	96.98	-	-
Equity shares of Eurasia Publishing House Private Limited of Rs. 1,000 each fully paid up (Refer Note 5 below)	106	116.05	106	116.05	106	116.05	106	116.05	106	116.05	-	-
Equity shares of Vikas Publishing House Private Limited of Rs. 100 each fully paid up (Refer Note 6 below)	39,339	1,502.69	39,339	1,502.69	39,239	1,405.70	39,239	1,405.70	39,239	1,405.70	-	-
Equity shares of New Saraswati House (India) Private Limited of Rs. 10 each fully paid up (Refer Note 7 below)	15,600	900.78	15,600	900.78	5,600	91.24	-	-	-	-	-	-
Equity shares of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) of Rs. 10 each fully paid up (Refer Note 8 below)	17,686,750	142.51	17,686,750	142.51	17,686,750	142.51	-	-	-	-	-	-
43.53% Equity Shares of Chhaya Prakashani Private Limited of Rs. 100 each fully paid up	64,548	1,000.04	-	-	-	-	-	-	-	-	-	-
Total (B)	**44,402,760**	**4,004.30**	**44,338,112**	**3,004.26**	**44,328,718**	**2,194.71**	**5,386,468**	**1,748.46**	**62,200**	**1,695.22**	**22,000**	**15.70**
c. Investment in joint venture (Unquoted equity instruments)												
Equity shares of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) of Rs. 10 each fully paid up (Refer Note 8 below)	-	-	-	-	-	-	9,631,460	96.31	9,631,460	96.31	9,631,460	96.31
Total (C)	**-**	**-**	**-**	**-**	**-**	**-**	**9,631,460**	**96.31**	**9,631,460**	**96.31**	**9,631,460**	**96.31**
d. Investment in associate (Unquoted equity instruments)												
Equity shares of Blackie & Sons (Calcutta) Private Limited of Rs. 1,000 each fully paid up (Refer Note 1 below)	-	-	-	-	-	-	-	-	-	-	39	24.14
Total (D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**39**	**24.14**
Non - trade investments (valued at cost unless stated otherwise)												
e. Investments in preference shares (Unquoted)												
Preference shares of Essar Gujrat Limited at Rs. 37.14 each (at cost less provision for other than temporary diminution of Rs. 59,425 as at December 31, 2016, March 31, 2016, March 31,2015 and March 31, 2014)	1,600	-	1,600	-	1,600	-	1,600	-	1,600	0.06	1,600	0.06
Redeemable preference shares of Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) of Rs. 10 each	-	-	-	-	-	-	512,500	41.00	512,500	41.00	512,500	41.00
6% preference shares of Zee Entertainment Enterprises Limited (Bonus shares)	4,200	-	4,200	-	4,200	-	4,200	-	-	-	-	-
0.001% Compulsorily Convertible Cumulative Preference shares of Smartivity Labs Private Limited of Rs. 10 each fully paid up	5,064	15.63	4,164	6.14	-	-	-	-	-	-	-	-
Total (E)	**10,864**	**15.63**	**9,964**	**6.14**	**5,800**	**-**	**518,300**	**41.00**	**514,100**	**41.06**	**514,100**	**41.06**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XV - Restated unconsolidated statement of non current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
f. Investments in debentures (Unquoted)												
12% secured redeemable non-convertible debentures of MGF of Rs. 60 each fully paid-up	100	0.01	100	0.01	100	0.01	100	0.01	100	0.01	100	0.01
13.25% optionally convertible redeemable debentures of New Saraswati House (India) Private Limited at Rs 100,000 each fully	5,200	520.00	5,200	520.00	5,200	520.00	-	-	-	-	-	-
Total (F)	**5,300**	**520.01**	**5,300**	**520.01**	**5,300**	**520.01**	**100**	**0.01**	**100**	**0.01**	**100**	**0.01**
g. Investment in equity instruments (Unquoted)												
Equity shares of Smartivity Labs Private Limited of Rs. 10 each fully paid up	50	0.52	1	0.00	-	-	-	-	-	-	-	-
Total (G)	**50**	**0.52**	**1**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
h. Share application money												
Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	-	-	-	-	-	-	-	-	-	51.65	-	54.15
Total (H)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**51.65**	**-**	**54.15**
Total (A+B+C+D+E+F+G+H)	**60,418,974**	**4,700.46**	**44,353,377**	**3,530.41**	**44,339,818**	**2,714.72**	**15,536,328**	**1,885.78**	**10,207,860**	**1,884.25**	**10,167,699**	**231.37**
Aggregate book value of quoted investments		**-**		**-**		**-**		**-**		**-**		**-**
Aggregate market value of quoted investments		-		-		-		-		-		-
Aggregate book value of unquoted investments		**4,700.46**		**3,530.41**		**2,714.72**		**1,885.78**		**1,884.25**		**231.37**
Aggregate provision for diminution in value of investments		**0.06**		**0.06**		**0.06**		**0.06**		-		-

Notes:

1) The Company acquired 26.17% stake in Blackie & Sons (Calcutta) Private Limited on March 22, 2012 by acquiring 39 equity shares of Rs. 1,000 each fully paid up at a premium of Rs. 618,000 per share . During the financial year 2012-13, the Company further acquired additional 73.83% stake by investing an additional amount of Rs. 36.65 million for acquisition of 110 equity shares of Rs. 1,000 each fully paid up at a premium of Rs. 0.33 million on Sept 25, 2012.

2) The Company acquired 100% stake in Nirja Publishers & Printers Private Limited by acquiring 12,000 equity shares of Rs. 100 each fully paid up at a premium of Rs. 1,200 per share on March 30, 2010.

3) As on April 01, 2011, the Company held 100% stake in Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited) through 10,000 equity shares of Rs. 10 each fully paid up acquired for Rs. 10 each. During the financial year 2013-14, the Company invested an additional amount of Rs. 53,242,680 by acquiring 5,165,000 shares of Rs. 10 each fully paid up for Rs. 10 each on March 28, 2014 and 159,268 shares of Rs. 10 each fully paid up for Rs. 10 each on March 31, 2014. As on March 31, 2014, the Company held 100% shares of the investee company (including 73.30% through Nirja Publishers & Printers Private Limited). The Company further acquired 15,000,000 equity shares of Rs. 10 each for Rs. 10 each on Sept 06, 2014 and 6,250,000 equity shares of Rs. 10 each fully paid up for Rs. 10 each on July 28, 2014. During the financial year 2014-15, the Company transferred 100 shares in the investee company to its another subsidiary company, Vikas Publishing House Private Limited. As on March 31, 2015, the Company held 100% stake in the investee company (including 37.92% through its subsidiary companies). As on March 31, 2016, the Company held 100% stake in the investee company (including 40.08% through its subsidiary companies).

4) The Company acquired 100% stake in Rajendra Ravindra Printers Private Limited by acquiring 706 equity shares of Rs. 1,000 each fully paid up at a premium of Rs. 136,366 per share on Sept 25, 2012. Rajendra Ravindra Printers Private Limited has been amalgamated with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014 (Refer Note 14 of Annexure XXXV).

5) The Company acquired 100% stake in Eurasia Publishing House Private Limited by acquiring 106 equity shares of Rs. 1,000 each fully paid up at a premium of Rs. 1,093,829 per share on Sept 25, 2012.

6) The Company acquired 98% stake in Vikas Publishing House Private Limited by acquiring 39,239 equity shares of Rs. 100 each fully paid up at a premium of Rs. 35,724 per share on Oct 10, 2012. The subsidiary company, Rajendra Ravindra Printers Private Limited has been amalgamated with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014 and 100 shares has been issued to the Company pursuant to such amalgamation. (Refer Note 14 of Annexure XXXV).

7) During the year ended March 31, 2015, the Company acquired 27.10% stake in New Saraswati House (India) Private Limited by acquiring 5,600 equity shares of Rs. 10 each fully paid up at a premium of Rs. 14,276 per share on May 17, 2014. The cost of investments includes brokerage costs of Rs. 11.24 million capitalised during the year ended March 31, 2015. In addition to above, the Company has additional 23.90% stake in New Saraswati House (India) Private Limited through Vikas Publishing House Private Limited as at March 31, 2015. During the year ended March 31, 2016, the Company acquired additional 49% stake in the Company by purchasing 10,000 equity shares of Rs. 10 each fully paid up at a premium of Rs. 79,990 per share on March 11, 2016. The Company has also capitalised brokerage costs of Rs. 9.55 million along with the costs of investment during the year. As at March 31, 2016, the Company has 100% stake in the Company (including 23.90% through Vikas Publishing House Private Limited).

8) As on April 01, 2011, the Company held 7,881,965 equity shares of Rs. 10 each fully paid up acquired for Rs. 10 each forming 46.66% of the total paid up equity share capital of DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited). During the year 2011-12, the Company acquired a total of 1,749,495 equity shares of Rs. 10 each fully paid up for Rs. 10 each (1,109,495 shares on April 21, 2011, 590,000 shares on June 10, 2011 and 50,000 shares in Aug 08, 2011). As at March 31, 2012, the Company held 14,804,010 equity shares of Rs. 10 each fully paid up forming 48.16% of the total paid up equity share capital of the investee company (including 5,172,550 equity shares of Rs. 10 each fully paid up forming 16.83% of the total paid up equity share capital through its 100% subsidiary Safari Digital Education Initiatives Private Limited). As on March 31, 2013, the Company held 16,799,460 equity shares of Rs. 10 each fully paid up forming 48.37% of the total paid up equity share capital of the investee company (including 7,168,000 equity shares of Rs. 10 each fully paid up forming 20.64% of the total paid up equity share capital through its 100% subsidiary Safari Digital Education Initiatives Private Limited). During the year 2014-15, the Company acquired on its own 8,055,290 equity shares (7,515,290 equity shares of Rs. 10 each fully paid up for Rs. 5.60 each on July 07, 2014 and 540,000 equity shares of Rs. 10 each fully paid up for Rs. 7.58 each on August 08, 2014) and 9,849,165 equity shares through its 100% subsidiary Safari Digital Education Initiatives Private Limited, thus increasing the Company's stake to 34,703,915 equity shares of Rs. 10 each fully paid up forming 99.93% of the total paid up equity share capital as on March 31, 2015 (including 17,017,165 equity shares of Rs. 10 each fully paid up forming 49% of the total paid up equity share capital through its 100% subsidiary Safari Digital Education Initiatives Private Limited).

9) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

10) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

11) These investments are in the name of the Company.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVI - Restated unconsolidated statement of loans and advances

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Unsecured, considered good												
Capital advances	0.03	0.88	9.31	-	3.27	-	6.00	-	-	-	-	-
Security deposits	34.35	2.95	33.96	2.95	24.11	2.96	6.22	19.52	22.90	-	10.95	-
Loans and advances to related parties	-	139.08	-	159.15	-	161.29	-	103.35	-	392.63	-	438.64
Advances recoverable in cash or kind	-	78.15	-	20.53	-	6.21	-	11.90	-	14.79	-	15.37
Other loans and advances (Unsecured, considered good)												
Advance income tax (net of provision of tax)	33.53	48.38	35.57	-	35.57	-	20.90	-	9.52	-	32.32	-
Prepaid expenses	0.08	9.53	0.17	9.94	-	10.77	-	8.03	-	4.10	-	0.79
FBT refundable	-	-	-	-	-	-	-	-	0.00	-	0.00	-
Balance with statutory/ government authorities	-	2.98	-	2.77	-	2.36	-	1.67	-	1.71	-	0.57
Total	**67.99**	**281.95**	**79.01**	**195.34**	**62.95**	**183.59**	**33.12**	**144.47**	**32.42**	**413.23**	**43.27**	**455.37**

Notes:

1) Following are the amounts due from related parties:

Particulars	Relationship	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
		Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Safari Digital Education Initiatives Private Limited (Formerly known as S Chand Digital Private Limited)	Subsidiary	-	20.27	-	18.53	-	0.64	-	0.13	-	0.13	-	0.12
Rajendra Ravindra Printers Private Limited	Subsidiary	-	-	-	-	-	15.64	-	-	-	-	-	-
Eurasia Publishing House Private Limited	Subsidiary	-	83.37	-	-	-	-	-	-	-	-	-	-
Blackie & Sons (Calcutta) Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	1.54	-	-
BPI (India) Private Limited	Subsidiary	-	6.61	-	11.85	-	12.25	-	2.57	-	-	-	-
Arch Papier Mache Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	0.00	-	-
Vikas Publishing House Private Limited	Subsidiary	-	-	-	-	-	1.63	-	7.26	-	-	-	-
New Saraswati House Private Limited	Subsidiary	-	20.20	-	33.16	-	20.79	-	-	-	-	-	-
DS Digital Private Limited (Formerly S Chand Harcourt (India) Private Limited)	Subsidiary	-	-	-	86.86	-	100.42	-	-	-	-	-	-
	Joint venture	-	-	-	-	-	-	-	83.00	-	56.72	-	39.70
S Chand Edutech Private Limited	Subsidiary	-	7.94	-	7.94	-	7.94	-	7.91	-	7.87	-	7.37
Raasha Entertainment and Leisure LLP	Enterprises over which KMP exercise significant influence	-	0.22	-	0.22	-	0.22	-	0.06	-	0.40	-	0.40
S Chand Hotels Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	46.00
	Enterprises over which KMP exercise significant influence	-	-	-	-	-	0.01	-	0.00	-	0.52	-	-
SHAARA Hospitalities Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	343.51
	Enterprises over which KMP exercise significant influence	-	0.01	-	0.01	-	0.01	-	0.00	-	321.99	-	-
SC Hotel Tourist Deluxe Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	0.13	-	-	-	0.61	-	0.28	-	-
S Chand Properties Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	0.02	-	0.03	-	2.07	-	-
Shyam Lal Charitable Trust	Enterprises over which KMP exercise significant influence	-	0.01	-	-	-	1.25	-	1.20	-	1.10	-	0.04
Shyamlal Nursing Home & Medical Research Centre Private Limited	Enterprises over which KMP exercise significant influence	-	0.11	-	0.11	-	0.11	-	0.11	-	-	-	-
RKG Hospitalities Private Limited	Enterprises over which KMP exercise significant influence	-	0.34	-	0.34	-	0.34	-	0.34	-	-	-	-
Global Knowledge Network Society	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	0.13	-	0.01	-	1.50
Hotel Tourist (Partnership firm)	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	-
Total		**-**	**139.08**	**-**	**159.15**	**-**	**161.27**	**-**	**103.35**	**-**	**392.63**	**-**	**438.64**

2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVII - Restated unconsolidated statement of other assets

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Unsecured, considered good unless stated otherwise												
Non-current bank balances (Refer Annexure XXI)	4.78	-	4.53	-	6.14	-	8.85	-	9.74	-	-	-
Unamortised expenditure												
Ancillary cost of arranging the borrowings	1.97	1.57	3.15	1.57	6.74	2.25	4.49	1.12	-	-	-	-
Share application money												
S Chand Technologies Private Limited	-	-	-	-	-	-	-	-	-	-	-	6.95
Others												
Assets held for sale	-	3.98										
Interest accrued on fixed deposits	0.48	1.63	1.69	-	1.54	-	1.03	-	0.89	-	-	1.64
Total	**7.23**	**7.18**	**9.37**	**1.57**	**14.42**	**2.25**	**14.37**	**1.12**	**10.63**	**-**	**-**	**8.59**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVIII - Restated unconsolidated statement of current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Current investments (valued at lower of cost and fair value, unless stated otherwise)												
Trade investments												
a. Investments in equity instruments (Unquoted)												
Investment in subsidiaries												
Equity shares of S Chand Hotels Private Limited of Rs. 10 each fully paid up (Refer Note 1 below)	-	-	-	-	-	-	-	-	-	-	10,000	0.10
Equity shares of SHAARA Hospitalities Private Limited of Rs. 10 each fully paid up (Refer Note 2 below)	-	-	-	-	-	-	-	-	-	-	100,000	1.00
Equity shares of SC Hotel Tourist Deluxe Private Limited of Rs. 10 each fully paid up (Refer Note 3 below)	-	-	-	-	-	-	-	-	-	-	10,000	0.10
Equity shares of S Chand Properties Private Limited of Rs. 10 each fully paid up (Refer Note 4 below)	-	-	-	-	-	-	-	-	-	-	10,000	0.10
Total (A)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**130,000**	**1.30**
Non-trade investments												
b. Investments in equity instruments (Quoted)												
DSQ Software Limited (Equity Shares of Rs.10 each)	2,000	-	2,000	-	2,000	-	2,000	-	2,000	-	2,000	0.01
Nextgen Animation Media Limited (Silverline Animation) (Equity Shares of Rs.10 each)	40	-	40	-	40	-	40	-	40	-	40	0.00
Silverline Tech EQ (Equity Shares of Rs.10 each)	100	-	100	-	100	-	100	-	100	-	100	0.00
3i Infotech Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	1,200	0.01	1,200	0.02
Alps Industries Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.00	500	0.00
Balrampur Chini Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.02	500	0.03
Ballarpur Industries Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	500	0.01	500	0.01
Crest Animation Studios Limited (Equity Shares of Rs. 20 each)	-	-	-	-	-	-	-	-	200	0.00	200	0.01
Dish TV Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.02	500	0.02
Freshtop Fruits Limited (Equity Shares of Rs.10 each)	1,000	0.03	1,000	0.02	1,000	0.02	1,000	0.02	1,000	0.02	1,000	0.01
TV18 Broadcast Limited (formerly known as IBN18 Broadcast Limited) (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	1,250	0.03	1,250	0.03
GMR Infrastructure Limited (Equity shares of Rs. 1 each)	-	-	-	-	-	-	-	-	3,000	0.06	3,000	0.09
Himatsinke Seide Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.01	500	0.02
IFCI Limited (Equity Shares of Rs.100 each)	-	-	-	-	-	-	-	-	200	0.01	200	0.01
India Cement Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.04	500	0.06
Eon Electric Limited (formerly known as Indo Asian Fusegear Limited) (Equity Shares of Rs. 5 each as at March 31, 2013, March 31, 2012 : Rs. 10	-	-	-	-	-	-	-	-	1,000	0.01	1,000	0.04
Kothari Sugar Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	15,000	0.13	15,000	0.03
Kitply Industries Limited (Equity Shares of Rs. 10 each)	100	-	100	-	100	-	100	-	100	-	100	-
Macmillian Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	1,000	0.07	1,000	0.04
Mahaan Foods Limited (Equity Shares of Rs. 10 each)	42,564	0.42	42,564	0.39	42,564	0.39	42,564	0.39	42,564	0.68	42,564	0.68
Navneet Publications Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	250	0.01	250	0.01
Nucleus Software Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	500	0.04	500	0.03
ORG Informatics Limited (Equity Shares of Rs. 10 each)	100	-	100	-	100	-	100	-	100	-	100	0.00
Pentamedia Graphics Limited (Equity Shares of Rs. 1 each)	10,457	0.01	10,457	0.01	10,457	0.01	10,457	0.01	10,457	0.01	10,457	0.01
Power Trading Corporation Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	1,000	0.06	1,000	0.06
Praj Industries Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	250	0.01	250	0.02
Rana Sugar Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	5,000	0.01	5,000	0.02
Reliance Power Limited (formerly known as Reliance Natural Resources Limited) (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	250	0.02	250	0.03
Vardhman Concrete Limited (Formerly known as Stresscrete India Limited) (Equity Shares of Rs.10 each)	2,000	-	2,000	0.03	2,000	0.03	2,000	0.03	2,000	0.03	2,000	0.03
Suzlon Energy Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	250	0.00	250	0.01
Syndicate Bank Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	1,250	0.10	1,250	0.10
Vardhman Polytex Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.03	500	0.03
Zee Entertainment Limited (Equity Shares of Rs.5 each) ((Equity Shares of Rs.10 each as at March 31, 2014, 2013 and 2012)	100	0.02	100	0.02	100	0.02	100	0.02	100	0.02	100	0.01
Zee Entertainment Limited (Equity Shares of Rs.5 each) ((Equity Shares of Rs.10 each as at March 31, 2014, 2013 and 2012) - Bonus shares	100	-	100	-	100	-	100	-	100	-	100	-
Zee Learning Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	-	-	25	-
Educomp Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	100	0.01	100	0.02
NTPC Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.07	500	0.08
Rolta Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.03	500	0.05
Bartronics Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.00	500	0.02
Tanla Solutions Limited (Equity Shares of Rs.1 each)	-	-	-	-	-	-	-	-	1,000	0.00	1,000	0.01
Britannia Industries Limited (Equity Shares of Rs.2 each)	-	-	-	-	-	-	-	-	200	0.08	200	0.08

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVIII - Restated unconsolidated statement of current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Financial Technologies Limited (Equity Shares of Rs.2 each)	-	-	-	-	-	-	-	-	100	0.07	100	0.07
Dhan Laxmi Bank Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.02	500	0.06
Advance Metering Technology Limited (Equity Shares of Rs. 5 each)	-	-	-	-	-	-	-	-	1,000	-	-	-
Sistema Shyam Teleservices Limited (Equity Shares of Rs.10 each)	15,880	0.09	15,880	-	15,880	-	15,880	-	15,880	-	15,880	-
Total (B)	**74,441**	**0.57**	**74,441**	**0.47**	**74,441**	**0.47**	**74,441**	**0.47**	**113,941**	**1.74**	**112,966**	**1.86**
c. Investments in equity instruments (Unquoted)												
Bharat Glass Tubes Limited (Equity Shares of Rs.100 each)	1,000	-	1,000	-	1,000	-	1,000	-	1,000	0.10	1,000	0.10
Total (C)	**1,000**	**-**	**1,000**	**-**	**1,000**	**-**	**1,000**	**-**	**1,000**	**0.10**	**1,000**	**0.10**
d. Investments in mutual funds (Quoted)												
Reliance Monthly Income Plan - Monthly Dividend	-	-	-	-	-	-	8,473	-	8,473	0.09	8,018	0.09
Principal Equity Savings Fund - Regular Plan - Dividend Half yearly (formerly known as Principal Debt Savings Fund - Monthly Income Plan - Dividend Option Monthly Reinvestment)	83,834	0.85	82,212	0.85	74,841	0.84	74,841	0.77	73,978	0.78	69,813	0.74
IDFC Monthly Income Plan - Dividend Regular Plan	-	-	-	-	5,061	0.05	5,061	0.05	5,061	0.05	5,061	0.05
ICICI Prudential Monthly Income Plan - 25 Monthly Dividend	-	-	-	-	-	-	-	-	21,762	0.26	20,471	0.24
Reliance Regular Savings Fund - Debt Plan - Growth Option	-	-	-	-	-	-	-	-	6,313	0.09	6,313	0.09
HDFC Liquid Fund - Direct Plan Growth option	-	-	40,359	120.00								
Total (D)	**83,834**	**0.85**	**122,571**	**120.85**	**79,902**	**0.89**	**88,375**	**0.82**	**115,587**	**1.27**	**109,676**	**1.21**
e. Investments in preference shares (Unquoted)												
Redeemable preference shares of Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) of Rs. 10 each fully paid up (Refer Note 15 of Annexure XXXV)	512,500	41.00	512,500	41.00	512,500	41.00	-	-	-	-	-	-
Total (E)	**512,500**	**41.00**	**512,500**	**41.00**	**512,500**	**41.00**	**-**	**-**	**-**	**-**	**-**	**-**
Total current investments (A+B+C+D+E)	**671,775**	**42.42**	**710,512**	**162.32**	**667,843**	**42.36**	**163,816**	**1.29**	**230,528**	**3.11**	**353,642**	**4.47**
Aggregate book value of quoted investments		**1.42**		**121.32**		**1.36**		**1.29**		**3.01**		**3.07**
Aggregate market value of quoted investments		**1.98**		**121.76**		**1.36**		**1.32**		**3.44**		**3.99**
Aggregate book value of unquoted investments		**41.00**		**41.00**		**41.00**		**-**		**0.10**		**1.40**
Aggregate provision for diminution in value of investments		**-**		**-**		**-**		**0.41**		**1.22**		**1.40**

Notes:

1) The Company acquired 100% stake by acquiring 10,000 equity shares of Rs. 10 each fully paid up of S Chand Hotels Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Company on March 30, 2013.
2) The Company acquired 100% stake by acquiring 100,000 equity shares of Rs. 10 each fully paid up of SHAARA Hospitalities Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Company on March 30, 2013.
3) The Company acquired 100% stake by acquiring 10,000 equity shares of Rs. 10 each fully paid up of SC Hotel Tourist Deluxe Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Company on March 30, 2013.
4) The Company acquired 100% stake by acquiring 10,000 equity shares of Rs. 10 each fully paid up of S Chand Properties Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Company on March 30, 2013.
5) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
6) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure V and XXXV.
7) These investments are in the name of the Company.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIX - Restated unconsolidated statement of inventories

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Raw Materials	6.20	2.16	35.00	61.34	61.30	19.43
Finished Goods						
Manufactured goods	784.77	575.69	432.68	419.83	376.67	394.47
Traded goods	13.62	18.40	17.45	20.30	12.86	4.33
Total	**804.59**	**596.25**	**485.13**	**501.47**	**450.83**	**418.23**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XX - Restated unconsolidated statement of trade receivables

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, considered good	275.49	208.58	151.01	113.00	54.48	94.96
Unsecured, considered doubtful	51.95	23.95	15.53	12.62	13.23	3.17
	327.44	**232.53**	**166.54**	**125.62**	**67.71**	**98.13**
Less: provision for doubtful debts	(51.95)	(23.95)	(15.53)	(12.62)	(13.23)	(3.17)
	275.49	**208.58**	**151.01**	**113.00**	**54.48**	**94.96**
Other receivables						
Unsecured, considered good	726.59	1,705.23	1,331.57	1,257.35	919.03	611.36
	726.59	**1,705.23**	**1,331.57**	**1,257.35**	**919.03**	**611.36**
Total	**1,002.08**	**1,913.81**	**1,482.58**	**1,370.35**	**973.51**	**706.32**

Notes:

1) Following are the amounts due from related parties:

(Amount in Rupees million)

Particulars	Relationship	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
BPI (India) Private Limited	Subsidiary	15.99	15.99	16.32	16.83	-	-
Vikas Publishing House Private Limited	Subsidiary	-	-	4.40	0.41	-	-
New Saraswati House (India) Private Limited	Subsidiary	5.78	5.69	5.38	-	-	-
DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited)	Subsidiary	13.85	76.25	44.71	-	-	-
DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited)	Joint venture	-	-	-	13.42	-	-
Safari Digital Education Initiatives Private Limited (Formerly known as S Chand Digital Private Limited)	Subsidiary	2.28	-	-	-	-	-
Total		**37.90**	**97.93**	**70.81**	**30.66**	**-**	**-**

2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXI - Restated unconsolidated statement of cash and bank balances

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. Cash and cash equivalents												
Balances with banks:												
- On current accounts	-	87.03	-	82.22	-	30.63	-	20.31	-	12.21	-	16.84
- On escrow accounts	-	-	-	-	-	-	-	-	-	10.00	-	-
- Deposits with original maturity of less than three months	-	5.00	-	1.89	-	1.40	-	0.80	-	-	-	-
Cash on hand	-	1.39	-	9.64	-	21.25	-	11.64	-	9.79	-	6.36
Cheques on hand	-	0.17	-	-	-	-	-	-	-	-	-	-
Total (A)	**-**	**93.59**	**-**	**93.75**	**-**	**53.28**	**-**	**32.75**	**-**	**32.00**	**-**	**23.20**
b. Other bank balances												
Deposits with remaining maturity for more than 12 months	4.67	-	4.42	-	6.03	-	8.74	-	9.63	-	-	-
Deposits with remaining maturity for more than 3 months but less than 12 months	-	2.66	-	5.77	-	3.94	-	1.24	-	-	-	5.38
Margin money - sales tax	0.11	-	0.11	-	0.11	-	0.11	-	0.11	-	-	-
	4.78	**2.66**	**4.53**	**5.77**	**6.14**	**3.94**	**8.85**	**1.24**	**9.74**	**-**	**-**	**5.38**
Amount disclosed under non- current assets (Refer Annexure XVII)	(4.78)	-	(4.53)	-	(6.14)	-	(8.85)	-	(9.74)	-	-	-
Total (B)	**-**	**2.66**	**-**	**5.77**	**-**	**3.94**	**-**	**1.24**	**-**	**-**	**-**	**5.38**
Cash and bank balances (A+B)	**-**	**96.25**	**-**	**99.52**	**-**	**57.22**	**-**	**33.99**	**-**	**32.00**	**-**	**28.58**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXII - Restated unconsolidated statement of revenue from operations

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Revenue from sale of products						
Finished goods (published title)	819.16	2,510.47	2,157.22	2,121.15	1,764.05	1,499.33
Traded goods (title not published)	98.12	266.31	153.43	166.14	158.59	159.21
	917.28	**2,776.78**	**2,310.65**	**2,287.29**	**1,922.64**	**1,658.54**
Less : Turnover discount	(20.20)	(34.43)	(20.53)	(17.09)	(11.03)	(7.14)
Total (A)	**897.08**	**2,742.35**	**2,290.12**	**2,270.20**	**1,911.61**	**1,651.40**
Sale of services (B)		-	-	-	-	8.20
Other operating revenues						
Sale of paper	-	28.89	29.09	8.52	-	-
Lease income	12.86	21.76	22.16	11.44	2.39	5.42
Training income	-	0.27	5.58	3.14	0.39	1.43
Scrap Sale	1.57	2.30	1.39	0.39	0.08	0.01
Sub-lease of publishing rights	-	-	-	-	-	34.95
Total (C)	**14.43**	**53.22**	**58.22**	**23.49**	**2.86**	**41.81**
Revenue from operations (net) (A+B+C)	**911.51**	**2,795.57**	**2,348.34**	**2,293.69**	**1,914.47**	**1,701.41**
Details of products sold						
Finished goods sold						
Sale - books (export)	18.93	31.91	43.09	41.89	58.13	57.13
Sale - books	800.23	2,478.56	2,114.13	2,079.26	1,705.92	1,442.20
	819.16	**2,510.47**	**2,157.22**	**2,121.15**	**1,764.05**	**1,499.33**
Traded goods sold						
Sale - books	98.12	266.31	153.42	165.85	155.02	151.38
CD and tab sales	-	-	0.01	0.29	3.57	7.83
	98.12	**266.31**	**153.43**	**166.14**	**158.59**	**159.21**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIIIA - Restated unconsolidated statement of other income

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012	Recurring/ Non - recurring	Related/ Not related to business activities
Profit on sale of investments (net)	6.20	16.42	-	0.45	-	-	Non - recurring	Non related
Dividend income	0.00	0.03	0.07	0.07	0.10	0.08	Non - recurring	Non related
Profit on sale of fixed assets (net)	-	2.17	2.12	-	-	-	Non - recurring	Non related
Insurance claim receivable	-	-	-	-	-	6.06	Non - recurring	Non related
Duty drawback	1.37	1.15	1.72	1.51	1.61	1.20	Non - recurring	Related
Share in profit from partnership firm	-	-	-	-	-	0.13	Non - recurring	Non related
Profit on foreign exchange fluctuations	0.59	2.65	2.17	3.42	4.03	2.86	Non - recurring	Non related
Miscellaneous income	2.45	4.54	3.46	1.18	1.51	1.47	Non - recurring	Non related
Total	**10.61**	**26.96**	**9.54**	**6.63**	**7.25**	**11.80**		

Notes :

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.
3) The classification of other income as recurring/non recurring and related /not related to business activity is based on the current operations and business activity of the Company as determined by the management.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIIIB - Restated unconsolidated statement of interest income

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31,	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012	Recurring/ Non - recurring	Related/ Not related to business activities
Interest income								
- on bank deposits	0.67	7.31	1.06	0.83	0.66	0.77	Non - recurring	Non related
- on others	56.19	82.47	72.84	4.48	2.46	-	Non - recurring	Non related
Total	**56.86**	**89.78**	**73.90**	**5.31**	**3.12**	**0.77**		

Notes :

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.
3) The classification of other income as recurring/non recurring and related /not related to business activity is based on the current operations and business activity of the Company as determined by the management.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIV - Restated unconsolidated statement of cost of raw materials and components consumed

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Inventory at the beginning of the period/year	2.16	35.01	61.34	61.30	19.43	39.36
Add : Purchases of published goods	544.24	1,116.43	440.17	407.62	369.01	436.96
Add : Purchases of CD and tablet	8.17	12.96	2.26	-	0.77	0.40
Add : Purchases of raw material	-	-	358.59	495.80	326.78	297.87
Add : Purchases of other trading items	-	-	-	0.47	-	6.90
	554.57	**1,164.40**	**862.36**	**965.19**	**715.99**	**781.49**
Less: Inventory at the end of the period/year	6.20	2.16	35.01	61.34	61.30	19.43
Cost of raw materials consumed	**548.37**	**1,162.24**	**827.35**	**903.85**	**654.69**	**762.06**
Details of published goods/ raw material						
Paper and glue	-	-	358.59	495.80	326.78	297.87
Books	544.24	1,116.43	440.17	407.62	369.01	436.96
CD and tablet	8.17	12.96	2.26	-	0.77	0.40
Go-Maths kit	-	-	-	-	-	5.61
Educational toys and other trading items	-	-	-	0.47	-	-
Messing	-	-	-	-	-	1.29
	552.41	**1,129.39**	**801.02**	**903.89**	**696.56**	**742.13**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXV- Restated unconsolidated statement of publication expenses

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Royalty	106.62	290.04	258.40	235.52	205.60	159.27
Printing, binding and folding charges	-	-	170.96	220.13	162.45	167.45
Processing charges	0.04	2.89	2.94	4.87	4.71	2.37
Block and composing	0.15	0.46	3.69	4.31	3.45	4.91
Other publication expenses	13.07	33.36	22.56	11.58	5.51	6.45
Total	**119.88**	**326.75**	**458.55**	**476.41**	**381.72**	**340.45**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXVI - Restated unconsolidated statement of (increase) / decrease in inventories

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Inventory at the end of the period/year						
Finished goods	798.39	594.09	450.13	440.13	389.53	398.80
Total (A)	**798.39**	**594.09**	**450.13**	**440.13**	**389.53**	**398.80**
Inventory at the beginning of the period/year						
Finished goods	594.09	450.13	440.13	389.53	398.80	274.27
Work-in-progress	-	-	-	-	-	30.36
Total (B)	**594.09**	**450.13**	**440.13**	**389.53**	**398.80**	**304.63**
(Increase) / decrease in Inventories (B-A)	**(204.30)**	**(143.94)**	**(10.00)**	**(50.60)**	**9.27**	**(94.17)**
Details of inventory						
Finished goods						
Manufactured goods						
Books	784.77	575.69	432.68	419.83	376.67	394.47
Traded Goods						
Books	13.62	18.40	17.45	20.30	12.86	-
CDs	-	-	-	-	-	0.98
Go Math Kit	-	-	-	-	-	3.35
	798.39	**594.09**	**450.13**	**440.13**	**389.53**	**398.80**
Raw material						
Paper	-	-	33.13	59.68	59.71	18.88
Others	6.20	2.16	1.88	1.66	1.59	0.55
	6.20	**2.16**	**35.01**	**61.34**	**61.30**	**19.43**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXVII - Restated unconsolidated statement of selling and distribution expenses

(Amount in Rupees million)

Particulars	For nine months period ended	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Advertisement, publicity and exhibition	44.89	42.78	41.69	39.51	30.89	26.90
Freight and cartage outward	36.10	58.11	41.06	47.90	32.21	30.42
Packing and dispatch expenses	4.64	7.14	8.39	12.94	9.74	10.21
Lease rent (vehicles)	1.37	2.05	2.65	3.30	2.65	2.07
Sales commission	-	-	-	0.76	1.07	0.93
Travelling and conveyance	32.94	43.31	33.89	35.88	28.86	25.33
Vehicle running and maintenance	13.14	16.78	17.10	19.16	15.74	14.08
Rebate and discount	23.25	29.08	15.55	5.83	6.70	4.37
Total	**156.33**	**199.25**	**160.33**	**165.28**	**127.86**	**114.31**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXVIII - Restated unconsolidated statement of employee benefits expenses

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Salaries, wages and bonus	276.09	316.02	250.81	194.84	164.55	130.29
Contribution to provident and other funds	19.65	23.50	20.10	17.43	14.50	12.43
Gratuity expenses (Refer note 4 Annexure XXXV)	6.50	4.41	8.95	5.49	4.14	4.14
Employee stock option expense (Refer note 12 Annexure XXXV)	9.33	5.12	-	-	-	-
Staff welfare expenses	22.05	24.11	22.99	18.46	17.59	14.84
Total	**333.62**	**373.16**	**302.85**	**236.22**	**200.78**	**161.70**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIX - Restated unconsolidated statement of finance costs

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest expense						
- on term loan	40.36	80.54	96.27	12.15	26.72	22.52
- on others	38.89	51.13	54.53	34.54	33.43	32.36
Bank charges	0.75	1.73	0.83	0.88	0.98	1.06
Ancillary borrowing cost	11.11	5.88	4.98	0.75	1.33	2.22
Total	**91.11**	**139.28**	**156.61**	**48.32**	**62.46**	**58.16**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXX - Restated unconsolidated statement of other expenses

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016		For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Rent		73.24		90.07	63.85	57.37	56.75	17.50
Repairs and maintenance								
- Plant		0.16		0.09	0.94	1.39	0.94	1.03
- Building		0.07		0.30	1.23	1.27	0.79	0.66
- Others		12.53		15.45	10.48	8.57	9.68	11.40
Insurance		2.83		3.19	4.50	3.47	2.54	2.68
Rates and taxes		1.89		0.41	0.59	0.61	0.71	1.01
Communication cost		9.69		13.93	11.55	10.28	8.27	7.84
Printing and stationery		1.30		1.77	2.89	2.45	2.13	2.15
Legal and professional Fees		23.73		56.45	33.54	21.92	67.37	7.02
Donations		0.00		0.09	0.39	6.37	0.76	0.37
Auditors' remuneration (Refer details below)		5.76		3.11	2.20	2.05	1.40	0.64
Provision for doubtful debts		29.20		15.45	7.18	5.99	10.06	3.17
Bad debts written off	1.20		7.03		5.38	6.60	-	-		4.51	
Less: Bad debts written off against opening provision	(1.20)	-	(7.03)	-	(4.28)	1.10	(6.60)	-	-	-	-	4.51
Loss on sale of fixed assets (net)		0.22		-		-	0.01		0.21		1.38
Provision for diminution in investment		-		-		-	0.47		-		1.40
Investments written off	-		-		0.41		1.22		0.26		-	
Less: Investments written off against opening provision	-	-	-	-	(0.41)	-	(1.22)	-	(0.17)	0.09	-	-
Advances written-off		-		0.10		-	2.55		1.93			-
Water and electricity charges		9.03		12.17		8.55	5.75		5.51			5.55
Recruitment expenses		0.66		1.05		2.24	1.28		1.28			1.93
Office expenses		3.05		5.42		11.31	7.41		4.13			2.22
Outsourced employee cost		29.74		32.24		10.73	1.23		0.76			0.79
Security charges		9.01		9.08		9.08	7.67		6.45			5.82
Corporate social responsibility expenses (Refer Note 11 of Annexure XXXV)		2.60		2.15		0.70	-		-			-
Director sitting fees		0.35		-		-	-		-			-
Exchange differences (net)		-		-		-	-		-			-
Demerger expenses written off		-		-		-	-		-			2.39
Miscellaneous expenses		5.33		8.22		3.65	2.91		5.25			2.07
Total		**220.39**	**-**	**270.74**		**186.70**	**151.02**		**187.01**			**83.53**

Auditors' remuneration

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
As auditor:						
- as audit fees	5.76	3.11	2.20	2.05	1.40	0.64
	5.76	**3.11**	**2.20**	**2.05**	**1.40**	**0.64**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXXIA - Restated unconsolidated statement of accounting ratios (before considering the impact of change in face value of equity shares from Rs. 1,000 per share to Rs. 10 per share during the year ended March 31, 2013 and from Rs. 10 per share to Rs. 5 per share and bonus issue during the nine months period ended December 31, 2016)

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Basic earnings per share (Refer Note 1(a) below)	A/C	(10.07)	894.29	445.91	666.90	546.21	88,444.70
Diluted earnings per share (Refer Note 1(b) below)	A/D	(10.07)	892.53	445.91	630.25	526.62	88,444.70
Return on net worth (Refer Note 1(c) below)	A/B	-6.62%	3.41%	2.58%	3.74%	2.92%	11.31%
Net asset value per equity share (Refer Note 1(d) below)	B/E	152.00	23,999.18	17,282.84	16,848.27	15,051.14	781,760.79
Net profit/(loss) after tax, as restated, attributable to equity shareholders	A	(300.39)	164.80	76.85	108.62	71.65	88.53
Net worth at the end of the period/year	B	4,536.29	4,839.48	2,978.75	2,903.85	2,449.96	782.54
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share (in millions)	C	29.84	0.18	0.17	0.16	0.13	0.00
Effect of dilution:							
Stock option granted under ESOP (in millions)		0.05	0.00	-	-	-	-
Compulsory convertible debentures (in millions)		-	-	-	0.01	0.00	-
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share (in millions)	D	**29.89**	**0.18**	**0.17**	**0.17**	**0.14**	**0.00**
Face value per share		5	10	10	10	10	1,000
Total number of shares outstanding at the end of the period/year (in millions)	E	29.84	0.20	0.17	0.17	0.16	0.00

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year

(b) Diluted earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend

(d) Net asset value per equity share (Rs.) = Net worth at the end of the period/year (excluding preference share capital and cumulative preference dividend), as restated / Total number of equity shares outstanding at the end of period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.
4) Net worth for ratios mentioned in note 1(c) and 1(d) is sum of paid up share capital and free reserves including securities premium account and excluding capital reserves.
5) There are potential equity shares in the form of stock options granted to employees. For the period ended December 31, 2016, as these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.
6) The figures disclosed above are based on the restated unconsolidated summary statements of assets and liabilities and profits and losses of the Company.
7) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXXIB - Restated unconsolidated statement of accounting ratios (after considering the impact of changes in the face value of equity shares from Rs. 1,000 per share to Rs. 10 per share during the year ended March 31, 2013 but before considering the impact of change in face value of equity shares from Rs. 10 per share to Rs. 5 per share and bonus issue during the nine months period ended December 31, 2016)

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Basic earnings per share (Refer Note 1(a) below)	A/C	(10.07)	894.29	445.91	666.90	546.21	884.45
Diluted earnings per share (Refer Note 1(b) below)	A/D	(10.07)	892.53	445.91	630.25	526.62	884.45
Return on net worth (Refer Note 1(c) below)	A/B	-6.62%	3.41%	2.58%	3.74%	2.92%	11.31%
Net asset value per equity share (Refer Note 1(d) below)	B/E	152.00	23,999.18	17,282.84	16,848.27	15,051.14	7,817.61
Net profit/(loss) after tax, as restated, attributable to equity shareholders	A	(300.39)	164.80	76.85	108.62	71.65	88.53
Net worth at the end of the period/year	B	4,536.29	4,839.48	2,978.75	2,903.85	2,449.96	782.54
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share (in millions)	C	29.84	0.18	0.17	0.16	0.13	0.10
Effect of dilution:							
Stock option granted under ESOP (in millions)		0.05	0.00	-	-	-	-
Compulsory convertible debentures (in millions)		-	-	-	0.01	0.00	-
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share (in millions)	D	**29.89**	**0.18**	**0.17**	**0.17**	**0.14**	**0.10**
Face value per share		10	10	10	10	10	10
Total number of shares outstanding at the end of the period/year (in millions)	E	29.84	0.20	0.17	0.17	0.16	0.10

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year

(b) Diluted earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend

(d) Net asset value per equity share (Rs.) = Net worth at the end of the period/year (excluding preference share capital and cumulative preference dividend), as restated / Total number of equity shares outstanding at the end of period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.
4) Net worth for ratios mentioned in note 1(c) and 1(d) is sum of paid up share capital and free reserves including securities premium account and excluding capital reserves.
5) For the purpose of computation of the above ratios, impact of split of one equity share of Rs. 1,000 each into 100 equity shares of Rs. 10 each fully paid up has been considered (Equity shares were split on June 30, 2012 via resolution passed at Extra-ordinary General Meeting (EGM) dated June 30, 2012).
6) There are potential equity shares in the form of stock options granted to employees. For the period ended December 31, 2016, as these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.
7) The figures disclosed above are based on the restated unconsolidated summary statements of assets and liabilities and profits and losses of the Company.
8) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXXIC - Restated unconsolidated statement of accounting ratios (after considering the impact of change in face value of equity shares from Rs. 1,000 per share to Rs. 10 per share during the year ended March 31, 2013 and from Rs. 10 per share to Rs. 5 per share and bonus issue during the nine months period ended December 31, 2016)

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Basic earnings per share (Refer Note 1(a) below)	A/C	(10.07)	6.04	3.01	4.51	3.69	5.98
Diluted earnings per share (Refer Note 1(b) below)	A/D	(10.07)	6.04	3.01	4.26	3.56	5.98
Return on net worth (Refer Note 1(c) below)	A/B	-6.62%	3.41%	2.58%	3.74%	2.92%	11.31%
Net asset value per equity share (Refer Note 1(d) below)	B/E	152.00	162.16	116.78	113.84	101.70	52.82
Net profit/(loss) after tax, as restated, attributable to equity shareholders	A	(300.39)	164.80	76.85	108.62	71.65	88.53
Net worth at the end of the period/year	B	4,536.29	4,839.48	2,978.75	2,903.85	2,449.96	782.54
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share (in millions)	C	29.84	27.27	25.51	24.11	19.42	14.81
Effect of dilution:							
Stock option granted under ESOP (in millions)		0.05	0.02	-	-	-	-
Compulsory convertible debentures (in millions)		-	-	-	1.40	0.72	-
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share (in millions)	D	**29.89**	**27.29**	**25.51**	**25.51**	**20.14**	**14.81**
Face value per share		5	5	5	5	5	5
Total number of shares outstanding at the end of the period/year (in millions)	E	29.84	29.84	25.51	25.51	24.09	14.81

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year

(b) Diluted earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend

(d) Net asset value per equity share (Rs.) = Net worth at the end of the period/year (excluding preference share capital and cumulative preference dividend), as restated / Total number of equity shares outstanding at the end of period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.
4) Net worth for ratios mentioned in note 1(c) and 1(d) is sum of paid up share capital and free reserves including securities premium account and excluding capital reserves.
5) For the purposes of computation of the above ratios, the impact of split of one equity share of Rs. 10 each into 2 equity shares of Rs. 5 each fully paid up and issue of bonus shares in the ration of 73:1 has been considered (Equity Shares were split and bonus shares were issued on April 20, 2016 via resolution passed at Extra-ordinary General Meeting (EGM) dated April 20, 2016)
6) There are potential equity shares in the form of stock options granted to employees. For the period ended December 31, 2016, as these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.
7) The figures disclosed above are based on the restated unconsolidated summary statements of assets and liabilities and profits and losses of the Company.
8) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXII - Unconsolidated capitalisation statement as at December 31, 2016

(Amount in Rupees million)

Particulars	Pre-issue as at December 31, 2016	As adjusted for issue (Refer note 5 below)
Debt		
Short term borrowings (A)	788.79	
Long term borrowings (B)	1,317.12	
Total borrowings (C=A+B)	**2,105.91**	
Shareholders' funds		
Share capital	149.22	
Reserves and surplus, as restated:		
Capital reserve	0.51	
General reserve	603.01	
Securities premium account	3,491.71	
Employee stock options outstanding	14.45	
Surplus in the statement of profit and loss	277.90	
Total shareholders' funds (D)	**4,536.80**	
Long term debt/ equity (B/D)	**0.29**	
Total Debt/ equity (C/D)	**0.46**	

Notes:

1) Long term debt / equity has been computed as $= \frac{\text{Long term borrowings}}{\text{Total shareholders' funds}}$

2) Total debt / equity has been computed as $= \frac{\text{Total borrowings}}{\text{Total shareholders' funds}}$

3) Short term borrowings represents borrowings due within 12 months from the balance sheet date.
4) Long term borrowings represents borrowings due after 12 months from the balance sheet date and also includes current maturities of long term borrowings.
5) The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence, the same have not been provided in the above statement.
6) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
7) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXIII: Unconsolidated statement of tax shelter

(Amount in Rupees million)

	Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
I.	**Profit/(loss) before tax, as restated**	**(455.36)**	**258.51**	**115.53**	**173.03**	**112.46**	**127.39**
II.	Tax rate	34.61%	34.61%	33.99%	33.99%	32.45%	32.45%
III.	**Tax thereon at above rates (III=I*II)**	**(157.59)**	**89.47**	**39.27**	**58.81**	**36.49**	**41.33**
IV.	**Permanent differences:**						
	Disallowance under section 14A of the Income Tax Act, 1961	0.95	0.82	-	10.48	6.82	2.41
	Interest on late deposition of TDS	0.13	0.07	0.12	0.12	0.01	0.00
	Provision for wealth tax	-	-	-	0.33	0.19	0.13
	Penalty charged to the statement of profit and loss	-	-	-	0.01	0.01	0.13
	Deduction under section 80G of the Income Tax Act, 1961	-	2.19	0.54	3.86	0.67	0.33
	Investments written-off	-	-	-	-	0.26	-
	Loss/(profit) on sale of fixed assets	0.22	(2.17)	-	0.01	0.21	1.38
	Expenditure of capital nature charged to the statement of profit and loss	-	-	-	-	2.00	-
	Standard deduction availed on rental income	-	-	-	-	-	(1.31)
	Share of profit from partnership firm	-	-	-	-	-	(0.13)
	Dividend income exempt under Income Tax Act, 1961	(0.00)	(0.03)	(0.07)	(0.07)	(0.10)	(0.08)
	CSR expenditure	2.60	-	-	-	-	-
	Expense on increase of share capital	-	-	-	-	-	-
	Loss/(profit) on sale of investment	-	(3.77)	-	(0.45)	-	0.01
	Total permanent differences	**3.90**	**(2.89)**	**0.59**	**14.29**	**10.07**	**2.88**
V.	**Timing differences:**						
	Difference between book depreciation and tax depreciation	14.93	11.05	2.32	(10.56)	3.16	6.97
	Demerger expenses written-off	-	-	-	(1.01)	3.03	-
	Deferred revenue expenditure written-off	-	-	-	-	-	0.53
	Non-payment of statutory dues before return filing date	-	-	-	-	-	0.05
	Differences on account of expenses disallowable under section 43B of the Income Tax Act, 1961:						
	Provision of gratuity	5.35	(0.97)	(0.54)	1.47	1.14	(2.33)
	Provision for doubtful debts	28.00	8.42	2.90	(0.61)	10.06	3.17
	Carried forward losses	407.09	-	-	-	-	-
	Provision for diminution in value of investments	-	-	-	0.47	1.22	-
	Provision for leave encashment	-	-	-	-	-	(0.06)
	Provision for bonus	(3.89)	7.61	-	-	(0.11)	(0.18)
	Disallowances/ (allowances) on account of restatement adjustments	-	(1.92)	3.74	(27.70)	3.70	3.12
	Total timing differences	**451.48**	**24.19**	**8.42**	**(37.96)**	**22.20**	**11.26**
VI.	**Total adjustments (IV+V)**	455.38	21.30	9.02	(23.67)	32.27	14.14
VII.	**Tax on adjustments (II*VI)**	**157.60**	**7.37**	**3.07**	**(8.05)**	**10.47**	**4.59**
VIII.	Interest u/s 234A/B/C	-	4.63	-	0.72	1.40	0.65
IX.	Deferred tax (credit)/charge for the period/year	(154.97)	(7.76)	(3.66)	12.93	(7.55)	(7.71)
X.	**Tax for the period/year (III+VII+VIII+IX)**	**(154.96)**	**93.71**	**38.68**	**64.41**	**40.81**	**38.86**
XI.	**As per restated statement of profit and loss**						
	Current tax	-	101.47	42.34	51.48	48.36	46.57
	Deferred tax	(154.97)	(7.76)	(3.66)	12.93	(7.55)	(7.71)
	Total tax expense as per restated statement of profit and loss	**(154.97)**	**93.71**	**38.68**	**64.41**	**40.81**	**38.86**

Notes:

1) The permanent and timing differences for the nine months period ended December 31, 2016 and years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 have been computed based on the tax computations of the income tax returns for the respective years/periods.
2) Tax rate includes applicable surcharge, education cess and secondary and higher education cess for the respective year/period concerned.
3) The aforesaid Statement of Tax Shelter has been prepared as per the unconsolidated summary statement of assets and liabilities and profits and losses of the Company.
4) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXIV – Unconsolidated statement of dividend declared and paid

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Issued number of shares on which dividend has been paid(in millions)	0.40	0.20	0.17	0.16	0.00	0.00
Face value per share (Rs.)	5	10	10	10	1,000	1,000
Rate of dividend	500%	0%	0%	250%	250%	250%
Amount of dividend per share (Rs.)	25	-	-	25	2,500	2,500
Total amount of dividend	10.08	-	-	4.07	2.50	2.50
Total dividend tax	2.05	-	-	0.66	0.41	0.42

Notes:

1) Dividend proposed by the Board of Directors for years ended March 31, 2011, March 31, 2012 and March 31, 2013 has been considered as non-adjusting event as at respective year ends and has been adjusted against opening reserves and surplus as at April 01, 2011 and reserves and surplus for the years ended March 31, 2012, March 31, 2013 and March 31, 2014 respectively as per requirement of Revised AS-4.
2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and profits and losses of the Company.
3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXV.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Leases

Operating Lease - Company as lessee

a. The Company has taken premises for office use under cancellable operating lease agreements. There are no restrictions imposed by the lease agreements. These lease have average life of between one to nine years. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Lease rent	73.24	90.07	63.85	57.37	56.75	17.50

b. The Company has taken vehicles for office use under cancellable operating lease agreements. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Lease rent - vehicles	1.37	2.05	2.65	3.30	2.65	2.07

c. Future minimum rentals payables under non-cancellable operating leases are as follows :-

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Minimum lease payments						
Within one year	13.30	13.30	13.30	-	-	-
After one year but not more than five years	53.22	53.22	53.22	-	-	-
More than five years	19.96	29.93	43.24	-	-	-
	86.48	**96.45**	**109.76**	-	-	-

Operating Lease - Company as lessor

a. The Company has given plant and equipment, building and other - computer under cancellable operating lease agreements. The total lease rentals recognised as an income in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Lease rental income	12.86	21.76	22.16	11.44	2.39	5.42

2. Contingent liabilities

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Corporate guarantee (Refer Note a below)	1,875.47	1,051.18	916.63	415.10	179.69	405.10
Income tax demand (Refer Note b below)	0.67	0.57	0.57	0.57	0.57	0.57
Stamp duty (Refer Note c below)	95.01	95.01	-	-	-	-
Registration fees (Refer Note c below)	9.15	-	-	-	-	-
	1,980.30	**1,146.76**	**917.20**	**415.67**	**180.26**	**405.67**

Notes:

a) Corporate guarantee includes guarantees given by the Company to banks and financial institutions against loans taken by the subsidiaries, joint ventures and loans co-borrowed by the Company along with its directors.

b) In respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter is pending with the Assessing officer.

In respect of Assessment Year 2014-2015, demand was raised due to disallowance of certain expenses under section 36(1)(va) of the Income Tax Act. The matter is pending with CIT(A).

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

c) During the financial year 2015-16, the Company received notice under Indian Stamp Act, 1899 for non-payment of stamp duty on transfer of property on amalgamation and demerger held in the financial year 2011-12 as described in detail in Note 19 of this Annexure. The district registrar contended that order of Hon'ble High Court for amalgamation and demerger does not grants exemption in respect of payment of stamp duty.

During the nine months period ended December 31, 2016, the Company has also received a demand notice from the Sub-Registrar under section 80A of the Registration Act, 1908 wherein the authority has directed the Company to pay additional registration fee of Rs. 9.15 million.

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

d) There are several legal cases initiated by or against the Company which are pending in the different labour and civil courts. However, as per the legal opinions obtained, the management of the Company is of the view that no liability would accrue on the Company on account of any such cases. Accordingly, no provision has been made in the books of account for the same.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3. Related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified by MCA is given as under:

Names of related parties and related party relationship

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
a. Related parties where control exists:						
Subsidiary companies	Nirja Publishers and Printers Private Limited	Nirja Publishers and Printers Private Limited	Nirja Publishers and Printers Private Limited	Nirja Publishers and Printers Private Limited	Nirja Publishers and Printers Private Limited	Nirja Publishers and Printers Private Limited
	Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	S Chand Digital Private Limited	S Chand Digital Private Limited
	-	-	Rajendra Ravindra Printers Private Limited	Rajendra Ravindra Printers Private Limited	Rajendra Ravindra Printers Private Limited (w.e.f. Sept 25, 2012)	-
	Eurasia Publishing House Private Limited	Eurasia Publishing House Private Limited	Eurasia Publishing House Private Limited	Eurasia Publishing House Private Limited	Eurasia Publishing House Private Limited (w.e.f. Sept 25, 2012)	-
	Blackie & Son (Calcutta) Private Limited	Blackie & Son (Calcutta) Private Limited	Blackie & Son (Calcutta) Private Limited	Blackie & Son (Calcutta) Private Limited	Blackie & Son (Calcutta) Private Limited (w.e.f. Sept 25, 2012)	-
	BPI (India) Private Limited	BPI (India) Private Limited	BPI (India) Private Limited	BPI (India) Private Limited	BPI (India) Private Limited (w.e.f. Sept 25, 2012)	-
	Arch Papier Mache Private Limited (till Dec 8, 2016)	Arch Papier Mache Private Limited	Arch Papier Mache Private Limited	Arch Papier Mache Private Limited	Arch Papier Mache Private Limited (w.e.f. Sept 25, 2012)	-
	Vikas Publishing House Private Limited	Vikas Publishing House Private Limited*	Vikas Publishing House Private Limited	Vikas Publishing House Private Limited	Vikas Publishing House Private Limited (w.e.f. Oct 10, 2012)	-
	New Saraswati House (India) Private Limited	New Saraswati House (India) Private Limited	New Saraswati House (India) Private Limited (w.e.f May 17, 2014)	-	-	-
	DS Digital Private Limited (Formerly S Chand Harcourt (India) Private Limited)	DS Digital Private Limited (Formerly S Chand Harcourt (India) Private Limited)	DS Digital Private Limited (Formerly S Chand Harcourt (India) Private Limited) (w.e.f. July 07,	-	-	-
	S Chand Edutech Private Limited	S Chand Edutech Private Limited	S Chand Edutech Private Limited	S Chand Edutech Private Limited	S Chand Edutech Private Limited	S Chand Edutech Private Limited
	-	-	-	-	-	SHAARA Hospitalities Private Limited
	-	-	-	-	-	S Chand Hotels Private Limited
	-	-	-	-	-	SC Hotel Tourist Deluxe Private Limited
	-	-	-	-	-	S Chand Properties Private Limited
	Chhaya Prakashani Private Limited (w.e.f. Dec 05, 2016)	-	-	-	-	-
	Indian Progressive Publishing Co. Private Limited (w.e.f. Dec 05, 2016)	-	-	-	-	-
	Publishing Services Private Limited (w.e.f. Dec 05, 2016)	-	-	-	-	-
b. Related parties under AS 18 with whom transactions have taken place during the year:						
Associate Companies	Edutor Technologies India Private Limited	Edutor Technologies India Private Limited	Edutor Technologies India Private Limited (w.e.f. September 06, 2014)	-	-	-
	-	-	-	-	Blackie & Son (Calcutta) Private Limited (till Sept 24, 2012)	Blackie & Son (Calcutta) Private Limited (w.e.f. March 22, 2012)
Joint Ventures	-	-	DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited) (till July 06, 2014)	DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited)	DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited)	DS Digital Private Limited (Formerly known as S Chand Harcourt (India) Private Limited)
Key management personnel (KMP)	Mrs. Nirmala Gupta - Chair Person and Managing Director (till May 20, 2016)	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director
	Mrs. Savita Gupta- Whole-time Director and Vice Chair Person (till May 20, 2016)	Mrs. Savita Gupta- Whole-time Director and Vice Chair Person	Mrs. Savita Gupta- Whole-time Director and Vice Chair Person	Mrs. Savita Gupta- Whole-time Director and Vice Chair Person	Mrs. Savita Gupta- Whole-time Director and Vice Chair Person	Mrs. Savita Gupta- Whole-time Director and Vice Chair Person
	Mrs. Savita Gupta- Director (w.e.f. May 20, 2016)	-	-	-	-	-
	Mr. Himanshu Gupta - Joint Managing Director (till May 20, 2016)	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director
	Mr. Himanshu Gupta - Managing Director (w.e.f. May 20, 2016)	-	-	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3. Related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified by MCA is given as under:

Names of related parties and related party relationship

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
	Mrs. Ankita Gupta - Whole time Director (till May 20, 2016)	Mrs. Ankita Gupta - Whole time Director	Mrs. Ankita Gupta - Whole time Director	Mrs. Ankita Gupta - Whole time Director	Mrs. Ankita Gupta - Whole-time Director	Mrs. Ankita Gupta - Whole time Director
	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance (till May 20, 2016)	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance
	Mr. Dinesh Kumar Jhunjhnuwala - Whole-time Director (w.e.f. May 20, 2016)	-	-	-	-	-
	Mrs. Neerja Jhunjhnuwala - Whole time Director (till May 20, 2016)	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Director	Mrs. Neerja Jhunjhnuwala - Whole time Director
	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director
	Mr. Saurabh Mittal - Chief Financial Officer	Mr. Saurabh Mittal - Chief Financial Officer	Mr. Saurabh Mittal - Chief Financial Officer (w.e.f. May 22, 2014)			
	Mr. Jagdeep Singh - Company Secretary	Mr. Jagdeep Singh - Company Secretary (w.e.f. December 30, 2015)	-	-	-	-
Relative of key management personnel	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director
Enterprises over which shareholders', key management personnel or their relatives exercise significant influence	-	-	-	-	Rajendra Ravindra Printers Private Limited (till September 24, 2012)	Rajendra Ravindra Printers Private Limited
	-	-	-	-	Eurasia Publishing House Private Limited (till September 24, 2012)	Eurasia Publishing House Private Limited
	-	-	-	-	BPI (India) Private Limited (till September 24, 2012)	BPI (India) Private Limited
	-	-	-	-	Arch Papier Mache Private Limited (till September 24, 2012)	Arch Papier Mache Private Limited
	-	-	-	-	-	Blackie & Son (Calcutta) Private Limited (till March 21, 2012)
	-	-	-	S Chand Technologies Private Limited	-	-
	-	-	-	-	-	-
	-	S Chand Hotels Private Limited	S Chand Hotels Private Limited	S Chand Hotels Private Limited	S Chand Hotels Private Limited	-
	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	-
	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited	-
	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	
	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited
	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	-
	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)
	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust
	Shyam Lal Nursing Home & Medical Research Centre Private Limited	Shyam Lal Nursing Home & Medical Research Centre Private Limited	Shyam Lal Nursing Home & Medical Research Centre Private Limited	Shyam Lal Nursing Home & Medical Research Centre Private Limited	-	-
	-	-	-	Global Knowledge Network Society	Global Knowledge Network Society	-
	Smartivity Labs Private Limited	Smartivity Labs Private Limited (w.e.f. August 5, 2015)	-	-	-	-

* Rajendra Ravindra Printers Private Limited has been merged with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3(A). Transactions with related parties during the relevant year

(Amount in Rupees million)

Party Name	Nature of transactions	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Subsidiary Companies							
Nirja Publishers and Printers Private Limited	Purchase of books, CDs and toys	187.51	468.22	424.98	407.61	369.39	357.10
	Printing/ binding charges paid	-	-	0.03	1.12	0.15	-
	Purchase of fixed asset	-	-	-	3.74	-	-
	Other expenses paid (reimbursement)	-	-	-	0.56	1.10	-
	Rent expense	-	-	-	-	0.10	0.10
	Rent income	0.30	1.80	1.80	1.80	1.35	-
	Sale of books, fixed assets and paper	-	-	0.48	4.33	-	-
	Sub-lease of publishing rights	-	-	-	-	-	34.95
Safari Digital Education Initiatives Private Limited (formerly S Chand Digital Private Limited)	Other expenses paid (reimbursement)	0.66	0.30	0.13	0.00	0.00	-
	Purchases - (Other)	0.50	1.50	5.62	-	-	-
	Sale of books, fixed assets and paper	1.91	0.43	0.43	-	-	-
	Purchase of fixed asset	-	0.28	-	-	-	-
	Rent expense	8.27	10.93	0.84	-	-	-
	Interest income	1.56	1.59	-	-	-	-
	Investment during the year	-	-	212.50	53.24	-	-
	Loan given	-	16.00	-	-	-	-
	Share application money paid	-	-	-	-	-	18.75
	Miscellaneous income	-	-	-	-	-	-
Rajendra Ravindra Printers Private Limited	Printing/ binding charges paid	-	-	23.50	145.79	61.65	-
	Other expenses paid (reimbursement)	-	-	-	25.74	7.95	-
	Rent income	-	-	0.40	1.20	0.47	-
	Interest income	-	-	0.01	-	-	-
	Sale of books, fixed assets and paper	-	-	14.51	-	-	-
	Investment during the year	-	-	-	-	96.98	-
Eurasia Publishing House Private Limited	Purchase of books, CDs and toys	-	-	118.08	114.11	72.15	-
	Purchases - (Other)	-	-	-	2.27	-	-
	Other expenses paid (reimbursement)	-	-	-	-	0.81	-
	Interest income	0.83	-	-	-	-	-
	Investment during the year	-	-	-	-	116.05	-
	Royalty expense	4.88	19.69	-	-	-	-
	Loans given	82.63	-	-	-	-	-
Blackie & Son (Calcutta) Private Limited	Purchase of books, CDs and toys	-	-	36.98	15.69	12.86	-
	Purchases - (Other)	-	-	-	3.53	-	-
	Other expenses paid (reimbursement)	-	-	0.38	0.06	0.51	-
	Royalty expense	0.13	4.04	-	-	-	-
	Investment during the year	-	-	-	-	36.65	-
BPI (India) Private Limited	Purchase of books, CDs and toys	5.37	0.61	0.80	6.65	5.60	-
	Printing/ binding charges paid	-	-	-	0.14	-	-
	Purchases - (Other)	-	2.26	-	-	-	-
	Sale of books, fixed assets and paper (paper)	-	-	-	4.19	-	-
	Sale of books, fixed assets and paper	-	0.34	0.11	17.52	0.57	-
	Other expenses paid (reimbursement)	0.13	-	-	-	1.08	-
	Royalty expense	-	0.67	-	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3(A). Transactions with related parties during the relevant year

(Amount in Rupees million)

Party Name	Nature of transactions	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Arch Papier Mache Private Limited	Printing/ binding charges paid	-	-	-	-	-	-
	Other expenses paid (reimbursement)	-	-	0.18	0.00	0.00	-
	Rent expense	14.42	20.77	1.94	2.05	-	-
	Security deposit given	-	-	-	-	0.91	-
DS Digital Private Limited	Other expenses paid (reimbursement)	0.19	1.78	14.49	-	-	-
(formerly S Chand Harcourt (India) Private	Sale of books, fixed assets and paper	0.03	-	-	-	-	-
	Rent income	11.51	19.96	11.54	-	-	-
	Purchases - (Other)		0.09	-	-	-	-
	Purchase of fixed asset		22.66	-	-	-	-
	Investment during the year	160.00	-	46.19	-	-	-
	Interest income	2.13	10.57	9.54	-	-	-
Vikas Publishing House Private Limited	Purchase of books, CDs and toys	450.77	890.38	4.03	2.46	0.50	-
	Printing/ binding charges paid	-	-	174.20	37.66	-	-
	Purchases - (Other)	-	4.78	-	6.93	-	-
	Purchase of fixed asset	-	-	-	1.32	-	-
	Other expenses paid (reimbursement)	0.23	2.24	1.68	0.22	0.38	-
	Interest income	-	1.41	1.82	-	-	-
	Loans taken	-	-	-	25.00	10.00	-
	Loans given	-	-	135.00	40.00	7.50	-
	Investment made during the year	-	-	-	-	1,405.70	-
	Sale of books, fixed assets and paper (paper)	-	30.31	-	-	-	-
	Sale of books, fixed assets and paper (fixed assets)	-	15.59	47.17	0.41	-	-
	Rent income	1.05	-	0.40	-	-	-
	Miscellaneous income	1.38	-	1.12	-	-	-
New Saraswati (India) Private Limited	Purchase of books, CDs and toys	-	0.01	-	-	-	-
	Interest income	51.68	68.90	60.41	-	-	-
	Other expenses paid (reimbursement)	0.90	2.21	2.27	-	-	-
	Sale of books, fixed assets and paper	0.08	0.32	7.59	-	-	-
	Investment in equity shares	-	809.55	93.84	-	-	-
	Investment in debentures	-	-	520.00	-	-	-
S Chand Edutech Private Limited	Purchase of books, CDs and toys	-	-	-	-	0.19	-
	Other expenses paid (reimbursement)	-	-	0.04	0.03	0.69	-
S Chand Hotels Private Limited	Investment during the year	-	-	-	-	-	0.10
SC Hotel Tourist Deluxe Private Limited	Staff welfare and business promotion expenses	-	-	-	-	-	0.62
	Investment during the year	-	-	-	-	-	0.10
S Chand Properties Private Limited	Investment during the year	-	-	-	-	-	0.10
Shaara Hospitalities Private Limited	Loans given	-	-	-	-	-	39.39
	Investment during the year/period	-	-	-	-	-	1.00
Chhaya Prakashani Private Limited	Investment in equity shares	1,000.04	-	-	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3(A). Transactions with related parties during the relevant year

(Amount in Rupees million)

Party Name	Nature of transactions	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Associate Company							
Blackie & Sons (Calcutta) Private Limited	Purchase of books, CDs and toys	-	-	-	-	7.93	5.70
	Other expenses paid (reimbursement)	-	-	-	-	0.00	-
	Investment during the year	-	-	-	-	-	24.14
Joint ventures							
DS Digital Private Limited	Purchase of books, CDs and toys	-	-	-	-	-	5.79
(formerly S Chand Harcourt (India) Private	Purchase of fixed asset	-	-	0.06	19.74	-	-
	Other expenses paid (reimbursement)	-	-	5.29	11.18	23.19	-
	Rent income	-	-	8.42	8.44	-	-
	Interest income	-	-	1.03	4.29	-	-
	Investment during the year	-	-	-	-	-	17.49
	Sale of books, fixed assets and paper	-	-	0.01	-	-	-
Key managerial personnel							
Mrs. Nirmala Gupta	Remuneration	0.16	1.20	1.20	1.60	2.40	4.32
	Issue of equity shares	-	-	-	-	0.12	-
	Securities premium	-	-	-	-	110.48	-
	Loans taken	-	-	-	-	-	10.00
Mrs. Savita Gupta	Remuneration	0.40	2.40	2.40	2.40	5.69	0.60
	Rent expense	2.34	2.19	1.77	1.88	1.81	0.35
	Issue of equity shares	-	-	-	-	0.03	-
	Securities premium	-	-	-	-	27.87	-
	Security deposit given	-	-	-	-	0.32	-
	Loans taken	-	-	-	-	-	65.00
Mr. Himanshu Gupta	Remuneration	7.34	3.60	3.60	3.60	7.03	0.90
	Issue of equity shares	-	-	-	-	0.02	-
	Securities premium	-	-	-	-	21.48	-
Mrs. Ankita Gupta	Remuneration	0.16	1.20	1.20	1.20	5.84	1.50
	Rent expense	-	-	-	-	0.07	0.42
	Issue of equity shares	-	-	-	-	0.01	-
	Securities premium	-	-	-	-	7.57	-
Mr. Dinesh Kumar Jhunjhnuwala	Remuneration	7.34	3.60	3.60	3.60	4.03	2.78
	Issue of equity shares	-	-	-	-	0.03	-
	Securities premium	-	-	-	-	31.56	-
Mrs. Neerja Jhunjhnuwala	Remuneration	0.16	1.20	1.20	1.20	1.34	0.90
	Rent expense	1.71	2.27	2.34	1.74	1.74	0.85
	Issue of equity shares	-	-	-	-	0.04	-
	Securities premium	-	-	-	-	37.41	-
	Security deposit given	-	-	-	-	0.10	-
Mr. Gaurav Jhunjhnuwala	Remuneration	0.20	1.20	1.20	0.80	-	-
Joint Shareholders (Mrs. Savita Gupta, Mr.	Issue of equity shares	-	-	-	-	0.01	-
Himanshu Gupta and Mrs. Ankita Gupta)	Securities premium	-	-	-	-	12.02	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3(A). Transactions with related parties during the relevant year

(Amount in Rupees million)

Party Name	Nature of transactions	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Mr. Saurabh Mittal	Remuneration	6.73	7.95	6.30	-	-	-
Mr. Jagdeep Singh	Remuneration	3.39	0.96	-	-	-	-
Relative of key management personnel							
Mr. Ravindra Kumar Gupta	Rent expense	0.89	1.18	1.01	1.01	1.01	1.47
	Interest paid	-	-	-	-	-	0.17
Enterprises over which shareholders', key management personnel or their relatives exercise significant influence							
Rajendra Ravindra Printers Private Limited	Printing/ binding charges paid	-	-	-	-	48.70	128.04
	Other expenses paid (reimbursement)	-	-	-	-	0.14	-
	Rent income	-	-	-	-	0.57	1.04
Eurasia Publishing House Private Limited	Purchase of books, CDs and toys	-	-	-	-	44.13	103.39
	Other expenses paid (reimbursement)	-	-	-	-	0.25	-
Blackie & Sons (Calcutta) Private Limited	Purchase of books, CDs and toys	-	-	-	-	-	9.39
BPI (India) Private Limited	Purchase of books, CDs and toys	-	-	-	-	4.08	12.48
	Other expenses paid (reimbursement)	-	-	-	-	0.01	-
	Sales	-	-	-	-	-	0.10
Arch Papier Mache Private Limited	Rent expense	-	-	-	-	0.08	-
Hotel Tourist (Partnership Firm)	Purchases - (Other)	2.82	4.41	7.37	6.58	3.75	3.64
	Other expenses paid (reimbursement)	-	-	-	1.48	0.30	-
Raasha Entertainment & Leisure LLP	Purchases - (Other)	-	-	-	-	0.05	-
	Other expenses paid (reimbursement)	-	-	0.16	0.06	-	-
S Chand Hotels Private Limited	Purchases - (Other)	-	0.85	0.41	-	0.02	-
	Other expenses paid (reimbursement)	-	0.00	0.01	0.00	0.04	-
SC Hotel Tourist Deluxe Private Limited	Purchases - (Other)	0.95	1.27	0.65	0.02	0.65	-
	Other expenses paid (reimbursement)			-	0.51	0.27	-
S Chand Properties Private Limited	Other expenses paid (reimbursement)	-	0.02	0.85	0.02	2.21	-
	Rent expense	21.62	28.60	31.11	34.12	34.12	-
	Security deposit given	-	-	-	-	13.32	-
Shaara Hospitalities Private Limited	Other expenses paid (reimbursement)	-	-	0.01	0.00	0.08	-
Shyam Lal Charitable Trust	Purchase of books, CDs and toys	-	-	-	-	1.14	3.18
	Other expenses paid (reimbursement)	0.01	0.01	0.05	0.10	0.55	-
	Corporate social responsibility (CSR) expense	-	1.50	0.70			
Shyam Lal Nursing Home & Medical Research Centre Private Limited	Other expenses paid (reimbursement)	-	-	-	0.11	-	-
RKG Hospitalities Private Limited	Interest expense	-	-	-	0.34	-	0.91

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3(A). Transactions with related parties during the relevant year

(Amount in Rupees million)

Party Name	Nature of transactions	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
S Chand Technologies Private Limited	Other expenses paid (reimbursement)	-	-	-	0.04	-	-
Global Knowledge Network Society	Other expenses paid (reimbursement)	-	-	-	0.13	0.10	-
Smartivity Labs Private Limited	Purchase of books, CDs and toys	0.20	-	-	-	-	-
	Investment in equity shares	0.52	0.00	-	-	-	-
	Investment in preference shares	9.49	6.14	-	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

3(B). Balance outstanding at respective year end

(Amount in Rupees million)

Party Name	Nature of transactions	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Subsidiary Companies							
Nirja Publishers and Printers Private Limited	Trade payable	214.91	247.31	310.80	169.41	113.01	118.82
Safari Digital Education Initiatives	Security deposit receivable	4.80	4.80	1.11	-	-	-
(formerly S Chand Digital Private Limited)	Loans and advances	20.27	18.53	0.64	0.13	0.13	0.12
	Trade receivable	2.28	-	-	-	-	-
	Share application money paid	-	-	-	-	51.65	54.15
Rajendra Ravindra Printers Private Limited	Trade payable	-	-	-	86.83	106.07	-
	Trade receivable	-	-	-	-	-	-
	Loans and advances	-	-	15.64	-	-	-
Eurasia Publishing House Private Limited	Trade payable	4.88	170.22	222.48	181.59	137.30	-
	Other payable		-	-	-	-	-
	Loans and advances	83.37	-	-	-	-	-
Blackie & Sons (Calcutta) Private Limited	Trade payable	14.23	14.99	21.30	10.45	-	-
	Loans and advances	-	-	-	-	1.54	-
BPI (India) Private Limited	Trade receivable	15.99	15.99	16.32	16.83	-	-
	Loans and advances	6.61	11.85	12.25	2.57	-	-
	Trade payable	-	-	-	0.20	1.35	-
Arch Papier Mache Private Limited	Security deposit receivable	-	9.12	0.91	0.91	-	-
	Loans and advances	-	-	-	-	0.00	-
DS Digital Private Limited (formerly S Chand Harcourt	Trade receivable	13.85	76.25	44.71	-	-	-
(India) Private Limited)	Loans and advances	-	86.86	100.42	-	-	-
	Trade payable	-	13.99	-	-	-	-
	Other receivable	-	-	-	-	-	-
Vikas Publishing House Private Limited	Trade payable	128.72	242.52	70.09	2.09	-	-
	Trade receivable	-	-	4.40	0.41	-	-
	Loans and advances	-	-	1.63	7.26	-	-
New Saraswati (India) Private Limited	Trade receivable	5.78	5.69	5.38	-	-	-
	Loans and advances	20.20	33.16	20.79	-	-	-
S Chand Edutech Private Limited	Loans and advances	7.94	7.94	7.94	7.91	7.87	7.37
S Chand Hotels Private Limited	Loans and advances	-	-	-	-	-	46.00
SC Hotel Tourist Deluxe Private Limited	Trade payable	-	-	-	-	-	0.49
S Chand Properties Private Limited	Trade payable	-	-	-	-	-	12.97
SHAARA Hospitalities Private Limited	Loans and advances	-	-	-	-	-	343.51
	Trade payable	-	-	-	-	-	0.74
Associate Company							
Blackie & Sons (Calcutta) Private Limited	Trade payable	-	-	-	-	-	4.79
Joint ventures							
DS Digital Private Limited	Loans and advances	-	-	-	83.00	56.72	39.70
(formerly S Chand Harcourt (India) Private Limited)	Trade receivable	-	-	-	13.42	-	-

Party Name	Nature of transactions	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Key managerial personnel							
Mrs. Nirmala Gupta	Remuneration payable	-	0.10	0.10	0.01	0.39	-
	Short term borrowings	-	-	-	-	-	10.00
Mrs. Savita Gupta	Security deposit receivable	0.54	0.39	0.39	0.32	-	-
	Remuneration payable	-	0.20	0.20	0.03	-	-
	Short term borrowings	-	-	-	-	-	65.00
Mr. Himanshu Gupta	Remuneration payable	0.50	0.30	0.30	0.10	-	-
Mrs. Ankita Gupta	Remuneration payable	-	0.10	0.10	0.05	-	-
Mr. Dinesh Kumar Jhunjhnuwala	Remuneration payable	0.50	0.30	0.30	0.16	-	-
Mrs. Neerja Jhunjhnuwala	Security deposit receivable	0.12	0.12	0.10	0.10	-	-
	Remuneration payable	-	0.10	0.10	0.06	0.04	-
Mr. Gaurav Jhunjhnuwala	Remuneration payable	-	0.10	0.10	0.09	-	-
Mr. Saurabh Mittal	Remuneration payable	0.46	0.97	2.32	-	-	-
Mr. Jagdeep Singh	Remuneration payable	0.38	0.43	-	-	-	-
Relative of key management personnel							
Mr. Ravindra Kumar Gupta	Security deposit receivable	0.41	0.41	0.15	0.15	0.15	1.95
Enterprises over which shareholders', key management personnel or their relatives exercise significant influence							
Rajendra Ravindra Printers Private Limited	Trade payable	-	-	-	-	-	136.22
Eurasia Publishing House Private Limited	Trade payable	-	-	-	-	-	104.07
Hotel Tourist (Partnership Firm)	Trade payable	0.15	0.21	0.27	0.97	0.52	0.26
	Loans and advances	-	-	-	-	-	-
Raasha Entertainment & Leisure LLP	Loans and advances	0.22	0.22	0.22	0.06	0.40	0.40
S Chand Hotels Private Limited	Loans and advances	-	-	0.01	0.00	0.52	-
SC Hotel Tourist Deluxe Private Limited	Trade payable	0.40	-	-	-	-	-
	Loans and advances	-	0.13	-	0.61	0.28	-
SHAARA Hospitalities Private Limited	Loans and advances	0.01	0.01	0.01	0.00	321.99	-
S Chand Properties Private Limited	Security deposit receivable	12.55	12.55	15.19	15.19	-	-
	Loans and advances		-	0.02	0.03	2.07	-
Shyam Lal Charitable Trust	Loans and advances	0.01	-	1.25	1.20	1.10	0.04
Shyam Lal Nursing Home & Medical Research Centre Private Limited	Loans and advances	0.11	0.11	0.11	0.11	-	-
RKG Hospitalities Private Limited	Loans and advances	0.34	0.34	0.34	0.34	-	-
	Trade payable	-	-	-	-	9.66	11.30
S Chand Technologies Private Limited	Trade payable	-	-	-	-	-	0.09
S Chand and Company (Firm)	Trade payable	-	-	-	-	-	70.00
Global Knowledge Network Society	Loans and advances	-	-	-	0.13	0.01	1.50
Smartivity Labs Private Limited	Trade payable	0.20	-	-	-	-	-

4. Gratuity plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service or part thereof in excess of six months. The scheme is funded with Kotak Life Insurance and LIC.

The following tables summarises the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Statement of profit and loss						
Net employee benefit expense recognized in employee cost						
Current service cost	3.97	4.72	3.64	2.89	2.22	2.22
Interest cost on benefit obligation	2.08	2.93	2.91	2.80	2.25	2.07
Expected return on plan assets	(1.65)	(2.67)	(2.54)	(2.52)	(2.25)	(1.66)
Acquisition/business combination/divestiture	1.22	0.99	(0.19)	2.60	-	1.51
Net actuarial (gain)/ loss recognized in the year	0.88	(1.56)	5.13	(0.28)	1.92	-
Net benefit expense	**6.50**	**4.41**	**8.95**	**5.49**	**4.14**	**4.14**
Actual return on plan assets						
Expected return on plan assets	1.65	2.67	2.54	2.55	2.25	1.66
Actuarial gain/(loss) on plan assets	(0.14)	(1.85)	3.28	(0.40)	(0.09)	(1.27)
Actual return on plan assets	**1.51**	**0.82**	**5.82**	**2.15**	**2.16**	**0.39**
Balance sheet						
Benefit liability						
Present value of defined benefit obligation	40.64	36.78	41.62	36.36	32.04	27.80
Fair value of plan assets	27.61	29.10	32.75	31.25	28.37	25.26
Plan liability	**(13.03)**	**(7.68)**	**(8.87)**	**(5.11)**	**(3.68)**	**(2.54)**
Changes in the present value of the defined benefit obligation are as follows:						
Opening defined benefit obligation	36.78	41.66	36.38	32.07	27.81	25.07
Interest cost	2.08	2.93	2.91	2.80	2.25	2.07
Current service cost	3.97	4.72	3.64	2.89	2.22	2.22
Benefits paid	(4.15)	(10.11)	(9.49)	(3.28)	(2.05)	(1.80)
Acquisition/business combination/divestiture	1.22	0.99	(0.19)	2.60	-	-
Actuarial (gain)/ loss on obligation	0.74	(3.41)	8.41	(0.72)	1.81	0.24
Closing defined benefit obligation	**40.64**	**36.78**	**41.62**	**36.36**	**32.04**	**27.80**
Changes in the fair value of plan assets are as follows:						
Opening fair value of plan assets	29.10	32.75	31.25	28.37	25.26	20.17
Expected return	1.65	2.67	2.54	2.55	2.25	1.66
Contributions by employer	1.15	5.38	5.19	4.02	3.00	6.50
Benefits paid	(4.15)	(9.89)	(9.49)	(3.28)	(2.05)	(1.80)
Actuarial gain/ (loss)	(0.14)	(1.81)	3.26	(0.41)	(0.09)	(1.27)
Closing fair value of plan assets	**27.61**	**29.10**	**32.75**	**31.25**	**28.37**	**25.26**
Expected contribution by Company to gratuity in the next year as at the respective period/year ends	1.27	2.27	3.00	3.00	3.00	3.00
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:						
Kotak Life Insurance and LIC	100%	100%	100%	100%	100%	100%
The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:						
Discount rate	7.15%	8.05%	7.80%	9.20%	7.75%	7.75%
Rate of return on plan assets	8.00%	8.75%	8.75%	8.75%	8.75%	8.75%
Salary growth	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Employee turnover						
- Service upto 5 years	5%	5%	5%	5%	5%	5%
- Service above 5 years	1%	1%	1%	1%	1%	1%

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

The overall expected rate of return on assets is determined based on the assumption as to the rate of return on the plan assets reflecting average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the projected benefit obligation.

Amounts for the current and previous four periods are as follows:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	40.64	36.78	41.62	36.36	32.04	27.80
Plan assets	27.61	29.10	32.75	31.25	28.37	25.26
Surplus / (deficit)	13.03	7.68	8.87	5.11	3.68	2.54
Experience adjustments on plan assets	(0.14)	(1.85)	3.28	(0.40)	(0.09)	(1.27)
Experience adjustments on plan liabilities	(3.26)	(2.38)	3.17	1.91	3.31	0.25

5. Interest in joint venture

As at March 31, 2014, the Company held 27.73% stake (March 31, 2012 : 27.73%, March 31, 2012 : 31.33%) in DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), a jointly controlled entity incorporated in India, which is involved in the business of E- learning solutions. The Company acquired additional stake of 23.27% on July 07, 2014 and consequently DS Digital Private Limited (formerly known S Chand Harcourt (India) Private Limited) became subsidiary of the Company from that date.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity as at the respective year ends are as follows:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	July 06, 2014*	March 31, 2014	March 31, 2013	March 31, 2012
Interest held in joint venture	-	-	**27.73%**	**27.73%**	**27.73%**	**31.33%**
Current assets	-	-	12.62	13.40	11.31	5.77
Non-current assets	-	-	94.50	90.18	106.64	110.06
Current liabilities	-	-	(40.69)	(42.06)	(36.53)	(20.26)
Non-current liabilities	-	-	(20.35)	(17.90)	(36.90)	(30.21)
Equity	-	-	**46.08**	**43.62**	**44.52**	**65.36**
Revenue	-	-	9.55	40.12	22.33	17.51
Cost of material consumed	-	-	(0.56)	(5.28)	(0.39)	(1.22)
Depreciation of plant and machinery	-	-	(3.03)	(6.37)	(9.88)	(7.79)
Employee benefit expense	-	-	(2.73)	(8.85)	(10.37)	(14.84)
Other expense	-	-	(8.87)	(21.09)	(17.88)	(25.21)
Profit before tax	-	-	**(5.64)**	**(1.47)**	**(16.19)**	**(31.55)**
Income-tax expense			-	(1.32)	(2.85)	(9.12)
Profit after tax	-	-	**(5.64)**	**(0.15)**	**(13.34)**	**(22.43)**
Contingent liabilities						
Share in the claims against the jointly controlled entity not acknowledged as debts						
- VAT claim by U.P. VAT Act**	-	-	0.46	0.46	0.46	0.52

* The jointly controlled entity became subsidiary w.e.f. July 07, 2014.

** The jointly controlled entity (DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)) has paid Rs. 11 lakhs for levy of penalty under section 54(1) of U.P. VAT Act. The jointly controlled entity was in the process of filing an appeal as at March 31, 2013. The hearing of appeal is under process as at March 31, 2014 and July 06, 2014.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

6. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006.

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year						
Principal amount due to micro and small enterprises	0.89	1.18	-	-	-	-
Interest due on above	0.01	0.01	-	-	-	-
	0.90	**1.19**	**-**	**-**	**-**	**-**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.01	0.01	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-	-	-	-

7. Details of estimated amount of contracts remaining to be executed on capital account and not provided for:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	0.09	16.70	0.37	7.91	-	2.89
	0.09	**16.70**	**0.37**	**7.91**	**-**	**2.89**

Refer note 1, for commitments relating to lease arrangements.

8. Value of imports calculated on CIF basis

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Raw materials	-	-	-	-	8.56	-
Components and spare parts	-	-	-	0.04	0.80	-
Capital goods	-	1.46	5.54	-	0.72	15.57
	-	**1.46**	**5.54**	**0.04**	**10.08**	**15.57**

9. Expenditure in foreign currency (accrual basis)

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Professional fees	-	-	0.31	0.21	0.21	
Freight expenses	-	-	-	0.04	-	-
Exhibition expenses	0.57	0.65	2.73	0.75	1.38	1.07
Travelling and conveyance expenses	4.66	2.68	5.91	5.87	4.47	5.81
Legal and professional expenses	2.44	-	0.09	-		
	7.67	**3.33**	**9.04**	**6.85**	**6.06**	**6.88**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

10. Earnings in foreign currency (accrual basis)

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Sale of products	18.93	31.91	43.09	41.89	58.13	57.13
	18.93	**31.91**	**43.09**	**41.89**	**58.13**	**57.13**

11. Corporate Social Responsibility (CSR)

During the year 2014-15, CSR committee had been formed by the Company to monitor CSR related activities. The Company has contributed Rs 0.70 million out of the total contributable amount of Rs 2.58 million as of March 31, 2015 in accordance with section 135 read with Schedule VII to the Companies Act, 2013 through Shyam Lal Charitable Trust. The management had not spent the remaining amount of Rs. 1.81 million upto March 31, 2015, as the CSR committee was yet to identify the CSR activities. Unspent amount had not been provided in books.

During the year 2015-16, the Company has contributed Rs 2.15 million out of the total contributable amount of Rs 2.51 million as of March 31, 2016 in accordance with section 135 read with Schedule VII to the Companies Act, 2013 through Shyam Lal Charitable Trust. Management has not spent the remaining amount of Rs. 0.37 million as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.

12. Employee stock option plans

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

(Amount in Rupees million)

Particulars	**Plan I**										
	Grant I	**Grant II**	**Grant III (a)**	**Grant III (b)**	**Grant IV (a)**	**Grant IV (b)**	**Grant IV (c)**	**Grant IV (d)**	**Grant V**	**Grant VI**	**Grant VII**
Date of grant	July 09, 2012	July 09, 2012	July 28, 2014	Sept 30, 2014	27-Aug-15	30-Sep-15	30-Sep-15	28-Mar-16	05-Aug-16	16-Aug-16	30-Nov-16
Date of board approval	June 30, 2012	June 30, 2012	July 28, 2014	Sept 30, 2014	27-Aug-15	27-Aug-15	27-Aug-15	28-Mar-16	05-Aug-16	05-Aug-16	19-Sept-16 & 30-Nov-16
Date of shareholders' approval	June 30, 2012	June 30, 2012	July 28, 2014	Sept 30, 2014	30-Sep-15	30-Sep-15	30-Sep-15	28-Mar-16	05-Aug-16	05-Aug-16	10-Nov-16
Number of options granted	2194	292	180	75	441	185	248	40	93,388	51,060	12,506
Method of settlement (Cash/ Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period	Year 1- 10% Year 2- 15% Year 3-20% Year 4-25% Year 5-30%	100% Immediate vesting	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 50% Year 2- 50%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 100%	Year 1- 25% Year 2- 25% Year 3- 25% Year 4- 25%	Year 1- 50% Year 2- 50%
Exercise period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price*	9,110	9,110	36,870	36,870	36,870	45,000	45,000	45,000	304	304	392
Weighted average share price (Market Price) in Rs.*	9,110	9,110	36,870	36,870	55,785	55,785	55,785	55,785	376	376	376

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

Exercise price*	62	62	249	249	249	304	304	304	304	304	392
Weighted average share price (Market Price) in Rs.*	62	62	249	249	377	377	377	377	376	376	376

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

Particulars	**For the nine months period ended December 31, 2016**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**	**For the year ended March 31, 2014**	**For the year ended March 31, 2013**	**For the year ended March 31, 2012**
Options outstanding at the beginning of the period/year	322	1,003	2,161	2,161	-	-
Granted during the period/year	-	-	-	-	2,194	-
Forfeited during the period/year	-	681	1,158	-	33	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	322	-	-	-	-	-
Effect of bonus issue *	47,012	-	-	-	-	-
Options outstanding at the end of the period/year	47,656	322	1,003	2,161	2,161	-
Exercisable at the end of the period/year	-	-	594#	271#	-	-

*Refer note above
#includes 61 options which has vested 100% on account of demise of an employee.

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

Particulars	**For the nine months period ended December 31, 2016**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**	**For the year ended March 31, 2014**	**For the year ended March 31, 2013**	**For the year ended March 31, 2012**
Options outstanding at the beginning of the period/year	21	290	290	290	-	-
Granted during the period/year	-	-	-	-	292	-
Forfeited during the period/year	-	269	-	-	2	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	21	-	-	-	-	-
Effect of bonus issue *	3,066	-	-	-	-	-
Options outstanding at the end of the period/year	3,108	21	290	290	290	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Company has granted 255 options during the year 2014-15 (Grant III a and III b). The details of activities under Grant III a and III b are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	253	255	-	-	-	-
Granted during the period/year	-	-	255	-	-	-
Forfeited during the period/year	-	2	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	253	-	-	-	-	-
Effect of bonus issue *	36,938	-	-	-	-	-
Options outstanding at the end of the period/year	37,444	253	255	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Company has granted 441 option during the year 2015-16 (Grant IV a). The details of activities under Grant IV a are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	441	-	-	-	-	-
Granted during the period/year	-	441	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	441	-	-	-	-	-
Effect of bonus issue *	64,386	-	-	-	-	-
Options outstanding at the end of the period/year	65,268	441	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Company had granted 473 option during the year 2015-16 (IV b, IV c and IV d). The details of activities under Grant IV b, IV c and IV d are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	473	-	-	-	-	-
Granted during the period/year	-	473	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	473	-	-	-	-	-
Effect of bonus issue*	69,058	-	-	-	-	-
Options outstanding at the end of the period/year	70,004	473	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Company has granted 93,388 option during the nine months period ended December 31, 2016 (Grant V). The details of activities under Grant V are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	93,388	-	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Options outstanding at the end of the period/year	93,388	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

The Company has granted 51,060 option during the nine months period ended December 31, 2016 (Grant VI). The details of activities under Grant V are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	51,060	-	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Options outstanding at the end of the period/year	51,060	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

The Company has granted 12,506 option during the nine months period ended December 31, 2016 (Grant VII). The details of activities under Grant V are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	12,506	-	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Options outstanding at the end of the period/year	12,506	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

The details of weighted average remaining contractual life are summarized below:

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Growth option - Grant I	3.19 years	3.44 years	4.01 years	4.08 years	5.81 years	-
Thankyou option - Grant II	3.19 years	3.44 years	4.01 years	4.08 years	5.73 years	-
Grant III a	3.19 years	3.44 years	4.01 years	-	-	-
Grant III b	3.19 years	3.44 years	4.01 years	-	-	-
Grant IV a	3.19 years	3.44 years	-	-	-	-
Grant IV b, IV c and IV d	3.19 years	3.44 years	-	-	-	-
Grant V	3.19 years	-	-	-	-	-
Grant VI	3.19 years	-	-	-	-	-
Grant VII	3.19 years	-	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value of options during the year ended March 31, 2013 considering the following inputs:

Growth option (Grant I)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	-	-	0.12%	-
Expected volatility	-	-	-	-	0.00%	-
Risk-free interest rate	-	-	-	-	8.11%	-
Weighted average share price (Rs.)	-	-	-	-	9,110	-
Exercise price (Rs.)	-	-	-	-	9,110	-
Expected life of options granted in years	-	-	-	-	5.81	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	-	-	3,280	-

Thankyou option (Grant II)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	-	-	0.12%	-
Expected volatility	-	-	-	-	0.00%	-
Risk-free interest rate	-	-	-	-	8.11%	-
Weighted average share price (Rs.)	-	-	-	-	9,110	-
Exercise price (Rs.)	-	-	-	-	9,110	-
Expected life of options granted in years	-	-	-	-	5.73	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	-	-	3,247	-

The Black Scholes valuation model has been used for computing the weighted average fair value of options granted during the year ended March 31, 2015 considering the following inputs:

Grant III (a)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	0.00%	-	-	-
Expected volatility	-	-	0.00%	-	-	-
Risk-free interest rate	-	-	8.45%	-	-	-
Weighted average share price (Rs.)	-	-	36,870	-	-	-
Exercise price (Rs.)	-	-	36,870	-	-	-
Expected life of options granted in years	-	-	3.78	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	9,723	-	-	-

Grant III (b)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	0.00%	-	-	-
Expected volatility	-	-	0.00%	-	-	-
Risk-free interest rate	-	-	8.57%	-	-	-
Weighted average share price (Rs.)	-	-	36,870	-	-	-
Exercise price (Rs.)	-	-	36,870	-	-	-
Expected life of options granted in years	-	-	3.6	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	9,452	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value for options granted during the year ended March 31, 2016 considering the following inputs:

Grant IV (a)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility	-	0.00%	-	-	-	-
Risk-free interest rate	-	7.67%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	36,870	-	-	-	-
Expected life of options granted in years	-	2.43	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	24,974	-	-	-	-

Grant IV (b)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility	-	0.00%	-	-	-	-
Risk-free interest rate	-	7.71%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	45,000	-	-	-	-
Expected life of options granted in years	-	3.22	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	20,312	-	-	-	-

Grant IV (c)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility	-	0.00%	-	-	-	-
Risk-free interest rate	-	7.46%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	45,000	-	-	-	-
Expected life of options granted in years	-	3.20	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	19,985	-	-	-	-

Grant IV (d)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility	-	0.00%	-	-	-	-
Risk-free interest rate	-	7.63%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	45,000	-	-	-	-
Expected life of options granted in years	-	3.15	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	19,767	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value for options granted during the nine months period ended December 31, 2016 considering the following inputs:

Grant V

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	0.00%	-	-	-	-	-
Expected volatility	0.00%	-	-	-	-	-
Risk-free interest rate	6.71%	-	-	-	-	-
Weighted average share price (Rs.)	376	-	-	-	-	-
Exercise price (Rs.)	304	-	-	-	-	-
Expected life of options granted in years	2.53	-	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	109	-	-	-	-	-

Grant VI

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	0.00%	-	-	-	-	-
Expected volatility	0.00%	-	-	-	-	-
Risk-free interest rate	6.71%	-	-	-	-	-
Weighted average share price (Rs.)	376	-	-	-	-	-
Exercise price (Rs.)	304	-	-	-	-	-
Expected life of options granted in years	2.53	-	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	118	-	-	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

Grant VII

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	0.00%	-	-	-	-	-
Expected volatility	0.00%	-	-	-	-	-
Risk-free interest rate	6.71%	-	-	-	-	-
Weighted average share price (Rs.)	376	-	-	-	-	-
Exercise price (Rs.)	392	-	-	-	-	-
Expected life of options granted in years	2.53	-	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	37	-	-	-	-	-

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

The company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Profit/(loss) after tax as restated	(300.39)	164.80	76.85	108.62	71.65	-
Impact in the statement of profit of loss as per fair valuation method	(4.61)	1.79	(1.62)	(2.42)	(2.82)	-
Proforma profit after tax	**(304.99)**	**163.01**	**78.47**	**111.04**	**74.47**	**-**
Earnings Per Share						
Basic						
- As reported	(10.07)	894.29	445.91	666.90	546.21	-
- Proforma	(10.22)	884.55	455.26	681.74	567.65	-
Diluted						
- As reported	(10.07)	892.53	445.91	630.25	526.62	-
- Proforma	(10.22)	882.81	455.26	644.27	547.29	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

13. Segment reporting

The Company has only one reportable business segment, which is publishing of books and operates in a single business segment based on the nature of the services, the risk and returns, the organization structure and the internal financial reporting systems. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

14. During the year ended March 31, 2016, the scheme of amalgamation (the scheme) u/s 391-394 of the Companies Act, 1956 and applicable provisions of Companies Act 2013 (to the extent applicable) between Vikas Publishing House Private Limited (transferee) and Rajendra Ravindra Printer Private Limited (transferor), subsidiaries of the Company, was approved by the Hon'ble Delhi High Court w.e.f. April 01, 2014. The Company pursuant to the amalgamation of the transferor company with the transferee company, received a lumpsum consideration of Rs. 10,000 (Rupees ten thousand only) from the transferee company through the issue of 100 equity shares of Rs. 100 each to the Company. Consequent to that effect, investment made by the Company in transferor company has been merged with the investment made in transferee company.

15. The Company had made an investment in 410 optionally convertible redeemable debentures of Rs 100,000 each fully paid in Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) during the financial year 2007-08 as per the debenture subscription agreement dated 14 May 2007. The debentures were converted into 512,500 optionally convertible or redeemable preference shares during the financial year 2008-09 as per the debenture conversion agreement dated 03 March 2009. These preference shares were redeemable or convertible at the option of the shareholder as per the debenture conversion agreement. The preference shares were due for redemption or conversion during the financial year 2011-12 and the Company opted for redemption of preference shares which Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) failed and defaulted in redeeming the preference shares.

The Company had filed a case against Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) demanding redemption of the preference shares held by the Company during the financial year 2014-15, and the matter is pending before the Arbitral Tribunal for adjudication.

The Company after taking appropriate legal advice is reasonably confident w.r.t. outcome of the matter in Company's favour.

16. Unhedged foreign currency exposure

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose. The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

Particulars	December 31, 2016		March 31 , 2016		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012	
	Amount in foreign currency	Amount in Rupees	Amount in foreign currency	Amount in Rupees	Amount in foreign currency	Amount in Rupees	Amount in foreign	Amount in Rupees	Amount in foreign	Amount in Rupees	Amount in foreign	Amount in Rupees
Trade receivable												
USD	0.48	32.73	0.58	38.54	0.73	45.93	0.88	52.95	1.07	58.21	0.75	38.32
GBP	-	-	-	-	-	-	0.01	0.60	0.01	0.49	-	-
Amount lying in EEFC account												
USD	-	-	-	-	-	-	-	-	0.00	0.05	0.00	0.04
Cash on hand												
USD	0.00	0.00	0.00	0.08	-	-	-	-	-	-	-	-
Euro	0.00	0.01	0.00	0.02	-	-	-	-	-	-	-	-

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
USD: United States Dollar, 1 USD :	67.95	66.33	62.59	60.10	54.39	51.16
GBP : Great Britain Pound, 1 GBP :	-	-	-	99.85	82.32	-
Euro, 1 Euro :	71.62	75.12	-	-	-	-

17. Imported and indigenous raw materials consumed

Particulars	For the nine months period ended December 31, 2016		For the year ended March 31, 2016		For the year ended March 31, 2015		For the year ended March 31, 2014		For the year ended March 31, 2013		For the year ended March 31, 2012	
	Percentage (%)	Amount in Rupees	Percentage (%)	Amount in Rupees	Percentage (%)	Amount in Rupees	Percentage (%)	Amount in Rupees	Percentage (%)	Amount in Rupees	Percentage (%)	Amount in Rupees
Raw Materials												
Imported	0%	-	0%	-	0%	-	0%	-	1%	8.56	0%	-
Indigenously obtained	100%	548.37	0%	-	100%	827.35	100%	903.85	99%	654.70	100%	758.92
	100%	**548.37**	**-**	**-**	**100%**	**827.35**	**100%**	**903.85**	**100%**	**663.26**	**100%**	**758.92**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

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

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

(Amount in Rupees million)

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Safari Digital Education Initiatives Private Limited	12% per annum	March 31, 2018	Unsecured	18.84	17.43	-	-	-	-
Eurasia Publishing House Private Limited	12% per annum	November 28, 2019	Unsecured	83.37	-	-	-	-	-

The loans have been utilized for meeting their working capital requirements.

19. Deferred tax assets

The Company has recognized deferred tax assets on interim losses for the nine months period ended 31 December 2016. Considering seasonality of business, ongoing production process and higher sales in the month of December along with pending sales order and profitable historical trend for full year operation, the Management is confident of availability of future taxable income at the end of the accounting year against which deferred tax assets will be realized.

20. Seasonality of interim operations

The Company's financial results and cash flows have, historically, been subject to seasonal trends between the last quarter and other quarters of the financial year.

Traditionally, the academic session beginning from April contributes to higher revenue in the last quarter of the financial year. The Company sees a higher volume of book sales during the months of January, February and March because academic sessions start from the month of April. Ongoing revenue also demonstrate signs of seasonality, with revenue generally lower during other quarters, which are not close to the beginning of academic session.

These trends are likely to continue in the future.

21. Reconstruction of business

The business of the Company has been restructured from April 01, 2011 consequent to the approval of the Scheme of amalgamation approved by Madras High Court on September 14, 2012 and Scheme of demerger approved by Delhi High Court on October 21, 2011 under sections 391-394 of the Companies Act, 1956. Under the said amalgamation Scheme, Atlantic Hotels Private Limited got merged with the Company w.e.f April 01, 2011 and thereafter various undertakings / units / businesses of the Company got demerged in the following manner:

Unit / Undertaking / Business of the Company	Resulting Company on demerger
- Hotel Tourist Deluxe	SC Hotel Tourist Deluxe Private Limited
- Hotel Iris Hometel	S Chand Hotels Private Limited
- Real Estate / Properties	S Chand Properties Private Limited
- Atlantic Hotels, Chennai	SHAARA Hospitalities Private Limited

Consequently, all incomes and expenses pertaining to the resulting companies have been transferred to them w.e.f. April 01, 2011 or their respective date of incorporation, whichever is later.

The demerged entity continues to operate the existing publishing business and also its digital learning business carried on by through its subsidiary S Chand Digital Private Limited. This scheme has been carried out to enable the company to focus on the publication business and education sector so as to enable it to raise equity for inorganic growth in both the printing and digital learning businesses.

22. Net dividend remitted in foreign exchange

Period of remittance (ending on)	31 December 2016 (Amount in Rs.)	31-Mar-16 (Amount in Rs.)	31-Mar-15 (Amount in Rs.)	31-Mar-14 (Amount in Rs.)	31-Mar-13 (Amount in Rs.)	31-Mar-12 (Amount in Rs.)
Period to which it relates	1 April 2016 to 31 December 2016	-	-	1 April 2012 to 31 March 2013	-	-
Number of non-resident shareholders	1	-	-	1	-	-
Number of equity shares held on which dividend was due	130,128	-	-	45,146	-	-
Amount remitted (in USD)	48,319	-	-	18,184	-	-
Amount remitted (in INR)	3,253,200	-	-	1,128,650	-	-

20. During the financial year 2012-13, the Company had given loan of Rs. 365.07 million to its wholly owned subsidiary Atlantic Hotels Private Limited, for the construction of Hotel at Chennai. The Company went through a restructuring process wherein the undertaking under Atlantic Hotels Private Limited, with appointed date of April 1, 2011 was merged with the Company and then demerged into SHAARA Hospitalities Private Limited. The Order of the Chennai High Court was received on September 14, 2012 to give effect to the Scheme of arrangement. The process of issue of shares to the existing shareholders of the Company in SHAARA Hospitalities Private Limited consequent to the court order was completed on March 30, 2013. Consequently, the amount outstanding has been subsequently recovered from SHAARA Hospitalities Private Limited.

As per our report of even date

For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director **Director**

Chief Financial Officer **Company Secretary**

Place: New Delhi
Date: March 27, 2017

Report of auditors on the restated consolidated summary statement of assets and liabilities as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and profits and losses and cash flows for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012 of S Chand and Company Limited and its subsidiaries, joint ventures and associates (collectively the "Restated Consolidated Summary Statements")

The Board of Directors
S Chand and Company Limited (Formerly S Chand and Company Private Limited)
7361, Ram Nagar, Qutab Road,
New Delhi-110055

Dear Sirs,

1. We have examined the Restated Consolidated Summary Statements of S Chand and Company Limited ('the Company') and its subsidiaries, joint ventures and associates (together referred to as the "Group") as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012 annexed to this report for the purpose of inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer ("IPO"). The Restated Consolidated Summary Statements, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

    a. sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act 2013 (the "Act") read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

    b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations) issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2. We have examined such Restated Consolidated Summary Statements taking into consideration:

    a. the terms of our engagement agreed with you vide our engagement letter dated December 21, 2015, requesting us to carry out work on such consolidated financial information, for the purpose of submission to SEBI in connection with the Company's proposed IPO; and

    b. the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. The Company proposes to make an IPO which comprises of a fresh issue of equity shares of Rs. 5 each as well as an offer for sale by certain shareholders' existing equity shares of Rs 5 each at such premium, arrived at by book building process (referred to as the "Issue"), as may be decided by the Company's Board of Directors.

Restated Consolidated Summary Statements as per audited consolidated financial statements

4. The Restated Consolidated Summary Statements has been compiled by the management from:

   a) the audited consolidated financial statements of the Company as at December 31, 2016, March 31, 2016, 2015, 2014 and 2013 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on March 27, 2017, August 23, 2016, September 28, 2015, February 06, 2015 and March 04, 2016, respectively; and

   b) the audited consolidated financial statements of the Company as at March 31, 2012 and for the year ended March 31, 2012 prepared in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by the Board of Directors on February 15, 2016.

Those consolidated financial statements included information in relation to the Company's subsidiaries, joint ventures and associates as listed below:

Name of the entity	**Relationship**	**Period covered**
Nirja Publishers and Printers Private Limited	Subsidiary	Nine months period ended December 31, 2016 and years ended March 31, 2016, 2015, 2014, 2013 and 2012.
Eurasia Publishing House Private Limited	Subsidiary	Nine months period ended December 31, 2016, years ended March 31 2016, 2015 and 2014 and for the period from September 25, 2012 to March 31, 2013.
Blackie & Son (Calcutta) Private Limited	Subsidiary	Nine months period ended December 31, 2016, years ended March 31 2016, 2015 and 2014 and for the period from September 25, 2012 to March 31, 2013.
Blackie & Son (Calcutta) Private Limited	Associate	Period from March 22, 2012 to March 31, 2012 and for the period from April 1, 2012 to September 24, 2012.
Vikas Publishing House Private Limited	Subsidiary	Nine months period ended December 31, 2016, years ended March 31, 2016, 2015 and 2014 and for the period from October 10, 2012 to March 31, 2013.
Rajendra Ravindra Printers Private Limited	Subsidiary	Years ended March 31, 2015, 2014 and for the period from September 25, 2012 to March 31, 2013.
Safari Digital Education Initiative Private Limited (formerly known as S Chand Digital Private Limited)	Subsidiary	Nine months period ended December 31, 2016 and years ended March 31, 2016, 2015, 2014, 2013 and 2012.

Name of the entity	Relationship	Period covered
BPI (India) Private Limited	Subsidiary	Nine months period ended December 31, 2016, years ended March 31, 2016, 2015 and 2014 and for the period from September 25, 2012 to March 31, 2013
Arch Papier-Mache Private Limited	Subsidiary	Period from April 1, 2016 to November 30, 2016, years ended March 31, 2016, 2015 and 2014 and for the period from September 25, 2012 to March 31, 2013.
S Chand Edutech Private Limited	Subsidiary	Nine months period ended December 31, 2016 and years ended March 31, 2016, 2015, 2014, 2013 and 2012.
D S Digital Private Limited (formerly known as S Chand Harcourt India Private Limited)	Subsidiary	Nine months period ended December 31, 2016, year ended March 31, 2016 and for the period from July 07, 2014 to March 31, 2015
D S Digital Private Limited (formerly known as S Chand Harcourt India Private Limited)	Joint Venture	Period from April 1, 2014 to July 6, 2014 and years ended March 31, 2013 and 2012.
New Saraswati House (India) Private Limited	Subsidiary	Nine months period ended December 31, 2016, year ended March 31, 2016 and for the period from May 17, 2014 to March 31, 2015.
Edutor Technologies India Private Limited	Associate	Nine months period ended December 31, 2016, year ended March 31, 2016 and for the period from September 6 2014 to March 31, 2015.
Chhaya Prakashani Private Limited	Subsidiary	Period from December 6, 2016 to December 31, 2016
Indian Progressive Publishing Co. Private Limited	Subsidiary	Period from December 6, 2016 to December 31, 2016
Publishing Services Private Limited	Subsidiary	Period from December 6, 2016 to December 31, 2016

5. For the purpose of our examination, we have relied on

   a. Auditor's report issued by us dated March 27, 2017, August 23, 2016, September 28, 2015, February 06, 2015 and March 04, 2016, respectively, on the consolidated financial statements of the Company as at December 31, 2016, March 31, 2016, 2015, 2014 and 2013 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014 and 2013 as referred in paragraph 4(a) above; and

As indicated in our auditors report, referred to above, we did not audit financial statements of certain subsidiaries, joint venture and associate, whose financial statements were audited by other auditors, which have been relied upon by us and our opinions, in so far as it relates to the amounts related to the such subsidiaries, joint venture and associate as at and for the nine months period December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014 and 2013, included in these restated consolidated summary statements, are based solely on the reports of the other auditors.

(Amount in Rs.)

Period/year end	Asset	Revenue from operation	Cash inflow / (outflow)	Associate's share of net loss
December 31, 2016	2,059,591,545	460,751,718	52,575,933	16,997,454
March 31, 2016	991,823,068	415,066,013	4,394,909	27,241,924
March 31, 2015	691,559,568	142,153,938	(312,120)	13,722,227
March 31, 2014	552,508,147	145,138,298	786,425	-
March 31, 2013	592,544,050	80,389,046	(2,537,656)	-

b. Auditor's report issued by Vinod Sanjeev Bindal & Co. dated February 15, 2016 on the consolidated financial statements of the Company as at March 31, 2012 and for the year ended March 31, 2012 as referred in paragraph 4(b) above.

6. In accordance with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Regulations and terms of our engagement agreed with you, we report that, read with paragraphs 4 and 5 above, we have examined the Restated Consolidated Summary Statements as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for the nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012 as set out in Annexures I to III.

7. Based on our examination and the reliance placed on the reports of the auditors as referred to in paragraphs 4 and 5 above, we report that:

a) The restated consolidated profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV to this report;

b) The accounting policies as at and for the nine months period ended December 31, 2016 are materially consistent with the policies adopted for the years March 31, 2016, 2015, 2014, 2013 and 2012. Accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;

c) Adjustments for the material amounts in the respective financial years to which they relate have been adjusted in the attached Restated Consolidated Summary Statements;

d) There are no extraordinary items which need to be disclosed separately in the Restated Consolidated Summary Statements;

e) There are no qualifications in the auditors' reports on the consolidated financial statements of the Company as at and for the nine months period ended December 31, 2016 and for years ended March 31, 2016, 2015, 2014, 2013 and 2012, which require any adjustments to the Restated Consolidated Summary Statements;

f) Emphasis of matters reported in the auditor's report on the consolidated financial statements for the nine months period ended December 31, 2016 and for the years ended March 31, 2016 ,2015, 2014 and 2013 which do not require any adjustment to the Restated Consolidated Summary Statements, are as follows:

(i) For the year ended March 31, 2015

1. We draw reference to certain emphasis of matters reported by auditors of D S Digital Private Limited

   a. The enterprise is normally viewed as a going concern that is as continuing in operation for the foreseeable future. The company is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future year's considering the strategic alliance contemplated by the Management.

   b. Attention is drawn to a note in the financial statement regarding deferred tax. However, no further assets were recognized as a matter of abundant precaution.

2. We draw reference to certain emphasis of matter reported by auditors of S Chand Edutech Private Limited

   a. Attention is drawn to a note in the financial statement regarding impairment of intangible assets. We have relied upon the assertion management. Our opinion is not qualified in this matter.

   Our opinion is not qualified in respect of these matters.

(ii) For the year ended March 31, 2014

1. We draw reference to certain emphasis of matter reported by auditors of S. Chand Edutech Private Limited

   a. Attention is drawn to a note in the financial statement regarding impairment of intangible assets. The auditors have relied upon the assertion of management regarding data taken in computation of discounted cash flow for deriving realizable value.

2. We draw reference to certain emphasis of matters reported by auditors of DS Digital Private Limited

   a. Attention is drawn to a note in the financial statement regarding deferred tax. The auditors have relied upon the assertion of the management regarding that the deferred tax asset is recognized considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.

b. The enterprise is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. The company is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.

c. Annual General Meeting of the company was required to be held by November 30, 2013. However, the meeting was actually held on January 23, 2014.

Our opinion is not qualified in respect of these matters.

(iii) For the year ended March 31, 2013

1. We draw reference to certain emphasis of matter reported by auditors of D S Digital Private Limited (formerly known as S Chand Harcourt Private Limited)

   a. The enterprise is normally viewed as a going concern, that is, as continuing in operation for the foreseeable future. The company is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.

   Our opinion is not qualified in respect of this matter.

g) Other audit qualifications included in the Annexure to the auditor's reports issued under Companies (Auditor's Report) Order, 2015 ('the Order") on the consolidated financial statements for the year ended March 31, 2015 which do not require any corrective adjustment in the Restated Consolidated Summary Statements, have been disclosed in Annexure IV B to the Restated Consolidated Summary Statements.

8. We have not audited or reviewed any financial statements of the Group as of any date or for any period subsequent to December 31, 2016. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to December 31, 2016.

Other Financial Information

9. At the Company's request, we have also examined the following restated consolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for the Nine months period ended December 31, 2016 and for each of the years ended March 31, 2016, 2015, 2014, 2013 and 2012:

i. Restated Consolidated Statement of Share Capital, enclosed as Annexure VI
ii. Restated Consolidated Statement of Reserves and Surplus, enclosed as Annexure VII
iii. Restated Consolidated Statement of Minority Interest, enclosed as Annexure VIII
iv. Restated Consolidated Statement of Long Term Borrowings, enclosed as Annexure IX
v. Restated Consolidated Statement of Deferred Tax Assets and Liabilities, enclosed as Annexure X
vi. Restated Consolidated Statement of Trade Payables, enclosed as Annexure XI
vii. Restated Consolidated Statement of Other Liabilities, enclosed as Annexure XII
viii. Restated Consolidated Statement of Provisions, enclosed as Annexure XIII
ix. Restated Consolidated Statement of Short Term Borrowings, enclosed as Annexure XIV
x. Restated Consolidated Statement of Fixed Assets, enclosed as Annexure XVA and XVB

xi. Restated Consolidated Statement of Non-Current Investments, enclosed as Annexure XVI
xii. Restated Consolidated Statement of Loans and Advances, enclosed as Annexure XVII
xiii. Restated Consolidated Statement of Trade Receivables, enclosed as Annexure XVIII
xiv. Restated Consolidated Statement of Other Assets, enclosed as Annexure XIX
xv. Restated Consolidated Statement of Current Investments, enclosed as Annexure XX
xvi. Restated Consolidated Statement of Inventories, enclosed as Annexure XXI
xvii. Restated Consolidated Statement of Cash and Bank Balances, enclosed as Annexure XXII
xviii. Restated Consolidated Statement of Revenue From Operations, enclosed as Annexure XXIII
xix. Restated Consolidated Statement of Other Income, enclosed as Annexure XXIVA
xx. Restated Consolidated Statement of Interest Income, enclosed as Annexure XXIVB
xxi. Restated Consolidated Statement of Cost Of Raw Materials Consumed and components consumed, enclosed as Annexure XXV
xxii. Restated Consolidated Statement of Purchase and Implementation Cost, enclosed as Annexure XXVI
xxiii. Restated Consolidated Statement of Publication Expenses, enclosed as Annexure XXVII
xxiv. Restated Consolidated Statement of Increase/Decrease in Inventories, enclosed as Annexure XXVIII
xxv. Restated Consolidated Statement of Selling and Distribution Expenses, enclosed as Annexure XXIX
xxvi. Restated Consolidated Statement of Employee Benefits Expense, enclosed as Annexure XXX
xxvii. Restated Consolidated Statement of Other Expenses, enclosed as Annexure XXXI
xxviii. Restated Consolidated Statement of Finance Costs, enclosed as Annexure XXXII
xxix. Restated Consolidated Statement of Accounting Ratios, enclosed as Annexure XXXIIIA, XXXIIIB and XXXIIIC
xxx. Capitalisation Statement, as appearing in Annexure XXXIV
xxxi. Consolidated Statement of Dividend, enclosed as Annexure XXXV

10. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexure V and Annexure XXXVI, and after making adjustments and regroupings as considered appropriate and disclosed in Annexures IV, have been prepared in accordance with the relevant provisions of the Act and the Regulations.

11. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

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

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure I – Restated consolidated summary statement of assets and liabilities

(Amount in Rupees million)

	Particulars	Annexure	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
	Equity and liabilities							
I.	**Shareholders' funds**							
	Share capital	VI	149.22	2.02	2.17	2.17	2.08	1.45
	Reserves and surplus	VII	4,942.29	5,989.50	3,941.38	3,675.06	2,906.47	906.90
			5,091.51	**5,991.52**	**3,943.55**	**3,677.23**	**2,908.55**	**908.35**
II.	**Share application money pending allotment**		-	-	-	-	-	14.72
III.	**Minority interest**	VIII	88.30	31.47	215.44	30.39	28.31	-
IV.	**Non-current liabilities**							
	Long term borrowings	IX	594.55	679.22	1,185.27	159.62	465.88	77.85
	Trade payables	XI	12.95	9.39	2.25	-	-	-
	Other non-current liabilities	XII	-	0.66	2.50	2.50	2.50	1.84
	Long term provisions	XIII	70.05	50.07	45.82	20.79	16.52	0.78
			677.55	**739.34**	**1,235.84**	**182.91**	**484.90**	**80.47**
V.	**Current liabilities**							
	Short term borrowings	XIV	1,831.08	1,257.54	965.06	695.32	638.12	420.99
	Trade payables	XI						
	- Total outstanding dues of micro enterprises and small enterprises		56.13	23.70	-	-	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,344.65	1,486.94	1,357.87	991.58	668.76	639.43
	Other current liabilities	XII	1,999.77	232.11	408.88	148.76	137.32	71.33
	Short term provisions	XIII	309.67	172.46	133.09	42.99	28.40	33.60
			5,541.30	**3,172.75**	**2,864.90**	**1,878.65**	**1,472.60**	**1,165.35**
	Total (I+II+III+IV+V)		**11,398.66**	**9,935.08**	**8,259.73**	**5,769.18**	**4,894.36**	**2,168.89**
	Assets							
VI.	**Non-current assets**							
	Fixed assets							
	Property, plant and equipment	XVA	986.19	1,024.92	1,097.31	599.89	424.51	157.31
	Intangible assets	XVB	3,833.75	2,282.35	1,643.19	1,262.78	1,274.72	112.78
	Capital work-in-progress		9.22	32.06	12.39	98.61	17.76	15.58
	Intangible assets under development		100.04	34.89	35.98	13.31	9.15	32.03
	Non-current investments	XVI	253.74	253.58	130.34	73.77	67.84	85.61
	Deferred tax assets (net)	X	563.18	123.52	104.06	53.64	42.09	30.11
	Loans and advances	XVII	258.48	178.13	186.90	158.98	122.00	90.25
	Trade receivables	XVIII	-	28.70	16.61	-	-	-
	Other non-current assets	XIX	12.35	33.04	23.39	16.66	12.01	0.06
			6,016.95	**3,991.19**	**3,250.17**	**2,277.64**	**1,970.08**	**523.73**
VII.	**Current assets**							
	Current investments	XX	43.02	163.58	47.07	5.70	8.40	6.98
	Inventories	XXI	2,505.89	1,398.25	1,196.95	838.96	599.58	424.26
	Trade receivables	XVIII	1,956.27	3,950.52	3,417.26	2,309.27	1,737.38	712.48
	Cash and bank balances	XXII	244.39	244.25	213.24	176.03	137.16	30.19
	Loans and advances	XVII	624.13	185.38	132.46	160.33	440.98	469.61
	Other current assets	XIX	8.01	1.91	2.58	1.25	0.78	1.64
			5,381.71	**5,943.89**	**5,009.56**	**3,491.54**	**2,924.28**	**1,645.16**
	Total (VI+VII)		**11,398.66**	**9,935.08**	**8,259.73**	**5,769.18**	**4,894.36**	**2,168.89**

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

As per our report of even date

For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director Director

Chief Financial Officer Company Secretary

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure II - Restated consolidated summary statement of profits and losses

(Amount in Rupees million)

	Particulars	Annexures	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Income**							
	Revenue from operations	XXIII	1,495.05	5,377.54	4,766.57	3,700.10	2,790.08	1,730.29
	Other income	XXIVA	12.96	28.73	18.43	9.44	25.40	16.15
	Total revenue		**1,508.01**	**5,406.27**	**4,785.00**	**3,709.54**	**2,815.48**	**1,746.44**
II.	**Expenses**							
	Cost of raw materials and components consumed	XXV	987.03	1,756.58	1,782.39	1,491.96	1,005.35	891.11
	Purchase and implementation cost	XXVI	36.62	49.03	17.07	3.08	7.16	4.95
	Publication expenses	XXVII	223.43	503.32	481.76	422.54	299.72	175.83
	(Increase)/ decrease in inventories of finished goods, work in progress and traded goods	XXVIII	(680.72)	(278.99)	(243.45)	(138.39)	77.81	(89.57)
	Selling and distribution expenses	XXIX	406.42	526.62	456.07	343.71	221.16	180.75
	Employee benefit expenses	XXX	835.71	941.83	803.48	526.77	353.24	200.11
	Other expenses	XXXI	535.20	625.72	447.25	262.07	252.44	112.19
	Total expenses		**2,343.69**	**4,124.11**	**3,744.57**	**2,911.74**	**2,216.88**	**1,475.37**
III.	**Restated (loss)/earnings before interest, tax, depreciation and amortisation (EBITDA) (I-II)**		**(835.68)**	**1,282.16**	**1,040.43**	**797.79**	**598.60**	**271.07**
	Depreciation and amortisation expense	XV	202.59	259.07	225.41	122.97	75.47	38.83
	Interest income	XXIVB	(2.48)	(9.29)	(4.15)	(5.61)	(3.25)	(0.90)
	Finance costs	XXXII	227.26	305.83	282.60	94.58	87.73	58.67
IV.	**Restated (loss)/profit before tax, minority interest and share of associate companies**		**(1,263.05)**	**726.55**	**536.59**	**585.85**	**438.65**	**174.47**
V.	**Tax expense**							
	Current tax		33.91	244.73	196.99	195.18	151.63	68.05
	MAT credit available		8.52	7.63	3.11	(23.50)	(18.13)	(20.75)
	Deferred tax credit		(437.60)	(19.47)	(4.84)	(11.54)	(14.84)	(19.11)
	Total tax expense		**(395.17)**	**232.89**	**195.26**	**160.14**	**118.66**	**28.19**
VI.	**Restated profit/(loss) after tax and before minority interest and share of associate companies (IV-V)**		**(867.88)**	**493.66**	**341.33**	**425.71**	**319.99**	**146.28**
	Share in loss/(profit) of associate companies		17.00	27.24	13.72	-	-	(0.63)
VII.	**Restated (loss)/profit for the period/year**		**(884.88)**	**466.42**	**327.61**	**425.71**	**319.99**	**146.91**
VIII	**Restated (loss)/profit attributable to**							
	-Owners of the parent		(897.20)	466.37	268.45	423.42	323.37	146.91
	-Minority interest		12.32	0.05	59.16	2.29	(3.39)	-
	Restated (loss)/profit for the period/year		**(884.88)**	**466.42**	**327.61**	**425.71**	**319.99**	**146.91**

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

As per our report of even date
For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director Director

Chief Financial Officer Company Secretary

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure III - Restated consolidated summary statement of cash flows

(Amount in Rupees million)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
I.	**Cash flows from/ (used in) operating activities**						
	Profit/(loss) before tax (as restated)	(1,263.05)	726.55	536.59	585.85	438.65	174.47
	Adjustments to reconcile profit/(loss) before tax to net cash flows						
	Depreciation and amortisation expense	202.59	259.07	225.41	122.97	75.47	38.83
	Interest expense	204.81	293.32	273.82	90.95	84.77	55.31
	Amortisation of ancillary borrowing cost	17.76	6.22	4.98	-	-	-
	Impairment loss	4.03					
	Interest income	(2.48)	(9.29)	(4.15)	(5.61)	(3.25)	(0.90)
	Loss/(profit) on sale of fixed assets	5.35	1.60	0.08	(1.17)	(18.60)	1.38
	Loss/(profit) on sale of investments	(14.46)	(17.27)	(0.29)	(0.76)	(0.01)	0.01
	Provision for sales return	-	45.60	16.29	-	-	-
	Dividend on current investments	(0.07)	(0.16)	(0.08)	(0.07)	(0.26)	(0.22)
	Share in profit from partnership firm	-	-	-	-	-	(0.13)
	Investments written-off	-	-	-	-	0.26	-
	Employee stock options expense	9.33	5.12	-	-	-	-
	Bad debts written-off	1.53	5.72	1.11	0.37	7.83	4.52
	Provision for bad debts and advances	68.03	45.88	9.67	19.42	19.00	4.09
	Provision for diminution in value of investments	-	-	-	0.47	0.08	1.40
	Provision for slow and non moving raw materials	-	-	1.90	-	-	-
	Advances written-off	0.20	0.10	0.07	2.55	-	-
	Operating profit before working capital changes (as restated)	**(766.43)**	**1,362.46**	**1,065.40**	**814.97**	**603.94**	**278.76**
	Movements in working capital:						
	(Increase)/ decrease in loans and advances	(107.66)	(56.54)	17.10	302.90	4.64	(415.05)
	(Increase)/ decrease in trade receivables	1,953.38	(596.95)	(1,135.38)	(591.67)	(1,051.73)	(117.83)
	(Increase)/ decrease in inventories	(1,107.66)	(201.31)	(359.88)	(239.38)	(175.33)	(92.17)
	Decrease in other assets	(0.49)	0.01	(0.01)	-	-	1.17
	Increase/ (decrease) in provisions	(21.79)	(101.86)	117.23	4.68	(1.83)	(1.63)
	Increase/ (decrease) in trade payables	(106.29)	159.91	368.54	322.81	29.53	161.20
	Increase/ (decrease) in other liabilities	102.33	(4.98)	44.43	10.68	39.00	(46.22)
	Cash flows from/ (used in) operations	**(54.61)**	**560.74**	**117.43**	**624.99**	**(551.78)**	**(231.77)**
	Direct taxes paid (net of refunds)	(284.72)	(179.86)	(292.67)	(197.67)	(122.37)	(78.35)
	Net cash flows from/ (used in) operating activities	**(339.33)**	**380.88**	**(175.24)**	**427.32**	**(674.15)**	**(310.12)**
II.	**Cash flows from/ (used in) investing activities**						
	Purchase of fixed assets including intangible assets, capital advances, capital creditor and capital work in progress (including assets acquired on acquisition)	(240.76)	(942.05)	(1,046.70)	(406.32)	(1,503.89)	553.07
	Investments in subsidiaries, joint ventures and associate companies	(1,528.88)	(211.17)	112.17	(0.22)	112.76	-
	Purchase of non-current investments	(10.01)	(123.24)	(56.58)	(5.99)	17.77	(5.95)
	Purchase of current investments	(2.25)	(99.24)	(41.08)	-	-	-
	Proceeds from sale of current investments	126.86	-	-	3.05	(1.75)	1.95
	Proceed from sale of subsidiary	46.80	-	-	-	-	-
	Proceed from sale of fixed assets	20.84	20.68	16.58	9.74	31.78	1,051.22
	Investment in bank deposits (having original maturity of more than three months)	(8.97)	(15.47)	(4.61)	(0.64)	(7.11)	-
	Redemption/ maturity of bank deposits (having original maturity of more than three months)	-	-	-	-	-	10.52
	Interest received	2.05	9.33	3.78	5.15	3.97	(0.03)
	Dividends received	0.07	0.16	0.08	0.07	0.26	0.22
	Share in profit from partnership firm	-	-	-	-	-	0.13
	Net cash flows from/ (used in) investing activities	**(1,594.25)**	**(1,361.00)**	**(1,016.36)**	**(395.16)**	**(1,346.21)**	**1,611.13**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure III - Restated consolidated summary statement of cash flows

(Amount in Rupees million)

	Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
III.	**Cash flows from/ (used in) financing activities**						
	Proceeds from issuance of equity share capital	-	0.29	-	-	0.63	-
	Securities premium received on issue of equity shares	-	1,690.97	-	-	1,598.05	-
	(Repayment)/proceeds from borrowings	2,142.07	(389.42)	1,504.36	103.81	630.69	(547.77)
	Interest paid	(206.92)	(290.93)	(267.49)	(93.07)	(82.62)	(68.31)
	Dividend paid on equity shares	(10.08)	-	-	0.00	-	(2.50)
	Tax on equity dividend paid	(2.05)	-	-	(0.00)	-	(0.42)
	Amortisation of ancillary borrowing cost	(16.33)	(1.61)	(9.73)	(5.62)	-	-
	Increase in reserve in demerger	-	-	-	-	-	(701.40)
	Share application money received	-	-	-	-	(14.72)	(25.42)
	Net cash generated/ (used in) financing activities	**1,906.69**	**1,009.30**	**1,227.14**	**5.12**	**2,132.03**	**(1,345.82)**
IV.	**Net increase/ (decrease) in cash and cash equivalents (I+II+III)**	**(26.89)**	**29.18**	**35.54**	**37.28**	**111.67**	**(44.81)**
V.	**Cash and cash equivalents at the beginning of the period/year**	**238.48**	**209.30**	**173.76**	**136.48**	**24.81**	**69.62**
VI.	**Cash & cash equivalents at the end of the year/period (IV+V)**	**211.59**	**238.48**	**209.30**	**173.76**	**136.48**	**24.81**
	Components of cash and cash equivalents						
	Cash on hand	6.64	13.36	30.36	15.42	13.53	6.42
	Cheques on hand	0.17					
	With banks:						
	- on current account	197.25	223.23	177.54	157.54	112.95	18.39
	- on escrow account	-	-	-	-	10.00	-
	- on deposit account	7.53	1.89	1.40	0.80	-	-
	Total cash and cash equivalents (Annexure XXII)	**211.59**	**238.48**	**209.30**	**173.76**	**136.48**	**24.81**

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

As per our report of even date
For S. R. Batliboi & Associates LLP
Firm registration no.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: March 27, 2017

For and on behalf of the Board of Directors of
S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Director

Director

Chief Financial Officer

Company Secretary

Place: New Delhi
Date: March 27, 2017

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVA – Note on material adjustments

1. Below mentioned is the summary of results of adjustments made in the audited consolidated financial statements of the respective period/years and its impact on the restated consolidated summary statement of profit and losses of the Group:

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Profit/(loss) after tax (as per audited financial statements)	**(897.20)**	**465.77**	**274.49**	**410.02**	**314.82**	**157.14**
Restatement adjustments:						
Revenue recognition adjustment (Refer Note 1 below)	-	-	-	58.46	-	(7.25)
Cost of finished goods sold (Refer Note 1 below)	-	-	-	(25.92)	-	1.47
Unspent liabilities / miscellaneous balances written-back (Refer Note 2 below)	-	(1.86)	(0.44)	(4.44)	(6.24)	3.12
Accounting of insurance claims (Refer Note 3 below)	-	-	(1.05)	(5.34)	0.34	6.06
Income taxes related to earlier years (Refer Note 4 below)	-	2.77	(2.77)	(0.50)	0.75	0.53
Demerger expenses (Refer Note 5 below)	-	-	-	-	1.38	(1.22)
Preliminary expenses (Refer Note 6 below)	-	-	0.04	-	0.05	0.40
Gratuity expense recognition adjustment (Refer Note 7 below)	-	0.24	(0.10)	(0.03)	1.62	(0.09)
Depreciation adjustment on land (Refer Note 8 below)	-	-	-	1.44	0.48	-
Provision for diminution of investments (Refer Note 9 below)	-	-	-	-	1.40	(1.40)
Cost of investment adjusted for legal and professional expenses (Refer Note 10	-	2.61	(2.61)	-	-	-
Amortisation expense on publishing rights (Refer Note 11 below)	-	-	-	-	-	0.53
Deferred revenue expenditure adjustment (Refer Note 11 below)	-	-	-	-	-	(0.53)
MAT credit income (Refer Note 12 below)	-	(0.54)	0.54	-	-	(19.29)
Prior period expenses (Refer Note 13 below)	-	0.27	(0.27)	1.19	(0.63)	(0.56)
Amortisation adjustment on intangible assets (Refer Note 14 below)	-	(5.12)	1.27	(5.88)	3.56	3.70
	-	**(1.63)**	**(5.39)**	**18.98**	**2.71**	**(14.53)**
Deferred tax adjustments (Refer Note 15 below)						
Deferred tax adjustments for the earlier years credited	-	-	-	-	6.97	5.86
Deferred tax charged/(credited) on the above adjustments	-	2.23	(0.65)	(5.58)	(1.13)	(1.56)
	-	**2.23**	**(0.65)**	**(5.58)**	**5.84**	**4.30**
Total adjustments	**-**	**0.60**	**(6.04)**	**13.40**	**8.55**	**(10.23)**
Restated (loss)/profit after tax	**(897.20)**	**466.37**	**268.45**	**423.42**	**323.37**	**146.91**

Notes:

1) During the years ended March 31, 2012 and March 31, 2011, the Holding Company had recognized revenue on the basis of invoicing as against the accounting practice of recognising revenue on dispatch of goods. This accounting practice was later rectified by the Company in the financial year 2012-13. Accordingly, adjustment for revenue, trade receivables, cost of finished goods sold and inventory of finished goods have been made in the restated consolidated summary statements in the respective years. Similarly, in the year ended March 31, 2014, for goods dispatched in financial year 2013-14 which had been invoiced in financial year 2012-13, revenue was recognised less by Rs. 58.46 million. Accordingly, adjustments have been made in in the restated consolidated summary statements for year ended March 31, 2014.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVA – Note on material adjustments

2) During the period/years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, the Group had reversed certain liabilities which were considered as no longer payable and recognized as "Other Income". Since these were related to earlier years, the reversal has now been reflected in the respective years in which the liabilities were created.

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
S Chand and Company Limited, the Holding Company	-	(0.69)	(0.08)	0.51	(6.82)	(0.77)
Vikas Publishing House Private Limited	-	-	-	(0.18)	(0.23)	-
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private	-	(0.13)	(0.62)	(5.35)	2.44	3.90
BPI (India) Private Limited	-	(0.02)	(0.76)	0.58	(1.63)	-
Blackie & Son (Calcutta) Private Limited	-	(1.02)	1.02	-	-	-
	-	**(1.86)**	**(0.44)**	**(4.44)**	**(6.24)**	**3.12**

In case of Vikas Publishing House Private Limited and BPI (India) Private Limited, the reversal of liabilities has been appropriately adjusted against goodwill on consolidation in cases where the liabilities were originally recognised prior to the acquisition by the Company.

3) The Group is following the policy of accounting for insurance claims on settlement with the insurers. For the purpose of this statement, the said income has been appropriately adjusted in the respective years in which the claims were lodged. Accordingly, adjustments have been made in the restated consolidated summary statements for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

4) The consolidated statement of profit and loss for period/years ended December 31, 2016 March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 includes amounts provided for in respect of short or excess provision of income taxes in respect of the earlier years which has now been adjusted in the respective years in restated consolidated summary statements.

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
S Chand and Company Limited, the Holding Company	-	-	-	-	-	0.55
Vikas Publishing House Private Limited	-	0.30	(0.30)	0.57	(0.34)	-
Blackie & Son (Calcutta) Private Limited	-	-	-	-	0.01	(0.01)
Nirja Publishers and Printers Private Limited	-	(0.20)	-	0.15	0.06	-
Rajendra Ravindra Printers Private Limited	-	-	-	(0.96)	0.96	-
BPI (India) Private Limited	-	0.18	0.02	(0.25)	0.05	-
New Saraswati House (India) Private Limited	-	2.49	(2.49)	-	-	-
Eurasia Publishing House Private Limited	-	-	-	-	-	-
	-	**2.77**	**(2.77)**	**(0.50)**	**0.75**	**0.53**

In case of Vikas Publishing House Private Limited, the reversal of income taxes related to earlier years has been appropriately adjusted against goodwill on consolidation in cases amount relates to period prior to the acquisition by the Company.

5) In the consolidated financial statements for the year ended March 31, 2012, demerger expenses were not charged to the statement of profit and loss in the year in which they were incurred. For the purpose of restated consolidated summary statements, such demerger expenses have been appropriately adjusted in the financial years to which the transactions pertain to.

6) In the financial statements for the years ended March 31, 2015, March 31, 2013 and March 31, 2012 for Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited), S Chand Edutech Private Limited and DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) respectively, certain preliminary expenses has been charged to the statement of profit and loss. For the purpose of restated consolidated summary statements, such preliminary expenses have been appropriately adjusted in the financial years to which they pertain.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVA – Note on material adjustments

7) In case of Nirja Publishers and Printers Private Limited, Eurasia Publishing House Private Limited and BPI (India) Private Limited, gratuity expense has not been recognised in the financial year 2011-12. For the purpose of restated consolidated summary statements, employee benefit expenses and goodwill on consolidation (where expense pertains prior to acquisition by the Holding Company) have been appropriately adjusted in the respective years on the basis of actuarial valuation.

   In case of Blackie & Son (Calcutta) Private Limited, gratuity expense has not been recognised in any of the previous financial years except for year ended March 31, 2016. For the purpose of restated consolidated summary statements, employee benefit expenses and goodwill on consolidation (where expense pertains prior to acquisition by the Holding Company) have been appropriately adjusted in the respective years on the basis of actuarial valuation.

8) In case of Arch Papier-Mache Private Limited, certain cost of land were included in the asset category of building upto March 31, 2014 and accordingly depreciation was provided for in the statement of profit and loss. The said part of land was regrouped to land as at April 01, 2014 but the related depreciation, already charged, was not adjusted in the audited financial statements. Such depreciation has been adjusted in the respective years for the purpose of restated consolidated summary statements.

9) During the year ended March 31, 2013, the Holding Company classified its investments in quoted equity instruments and mutual funds from non-current investments to current investments and the said investments were revalued at lower of cost or fair value as at that March 31, 2013, which has now been adjusted in the financial year ended March 31, 2012.

10) In the financial statements of the Holding Company for the year ended March 31, 2015, certain legal and professional expenses which were not in the nature of brokerage were included in the cost of investment of a subsidiary company instead of charging the same to the statement of profit and loss. Such legal and professional expenses have now been appropriately adjusted against goodwill in the year ended March 31, 2015.

11) In the financial statements for the years beginning from the years ended March 31, 2003 to March 31, 2012, certain publishing rights have been treated as deferred revenue expenditure and charged to the statement of profit and loss instead of capitalising the same as publishing rights under intangible assets. Such publishing rights have now been appropriately capitalised and adjusted in the financial years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. The adjustment has no impact on profit as instead of charging the amount to the statement of profit and loss as deferred revenue expenditure, the same has been shown as amortisation of publishing rights in the restated consolidated summary statements.

12) In case of Nirja Publishers and Printers Private Limited, Minimum Alternate Tax (MAT) credit pertaining to financial year 2009-10, 2010-11 and 2011-12 has been recognised in statement of profit and loss for the financial year 2011-12 and MAT credit pertaining to 2014-15 has been recognised in the statement of profit of loss for the financial year 2015-16. The said credit has been appropriately adjusted to the respective years for the purpose of the restated consolidated summary statements.

13) In case of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited), DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) and S Chand Edutech Private Limited, certain prior period expenses have been debited to the statement of profit and loss for the year ended March 31, 2016, March 31, 2014 and March 31, 2013 respectively. The said expenses have been adjusted appropriately in the year to which they pertain for the purpose of the restated consolidated summary statements.

14) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) and S Chand Edutech Private Limited, the gross block and the corresponding accumulated amortisation of the intangible assets acquired from the joint venturer were reversed along with the outstanding balance payable to the joint venturer against the said intangible asset in the year 2013-14 and 2015-16 respectively on account of its exit from the ownership of the joint venture entity. Such balances have been appropriately adjusted in the respective years to which they pertain for the purposes of the restated consolidated summary statements.

15) These adjustments include the rectification of calculations of deferred tax as at March 31, 2011 and March 31, 2012 and impact of restatement adjustments made as detailed above. For the purpose of restated summary statements, deferred taxes have been appropriately adjusted in the restated profits and losses to the respective years to which they relate.

16) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVA – Note on material adjustments

2. Adjustments made in the opening balance of surplus in the audited consolidated statement of profit and loss as at April 1, 2011

Particulars	Amount in Rupees
Surplus in the consolidated statement of profit and loss as at April 1, 2011 (as per audited consolidated financial statements)	154.91
Adjustments:	
Unspent liabilities/ miscellaneous balances written-back (Refer Note 2 above)	7.62
Demerger expenses written-off (Refer Note 5 above)	(0.16)
Revenue recognition adjustment (Refer Note 1 above)	(51.20)
Cost of finished goods sold (Refer Note 1 above)	24.45
Preliminary expenses (Refer Note 6 above)	(0.50)
Gratuity expense recognition adjustment (Refer Note 7 above)	(0.02)
Income taxes related to earlier years (Refer Note 4 above)	(0.55)
MAT credit income (Refer Note 12 above)	19.29
Amortisation adjustment on intangible assets (Refer Note 14 above)	2.48
Dividend adjustment (Refer Note 7 of Annexure VII)	2.92
Deferred tax adjustments for the earlier years credited (Refer Note 15 above)	(12.83)
Deferred tax impact on above restatement adjustments (Refer Note 15 above)	5.62
Surplus in the consolidated statement of profit and loss as at April 1, 2011 (as restated)	**152.02**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVB – Non-adjusting items

a. Emphasis of Matter in the auditor's report on the consolidated financial statements of the Group for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 which do not require any quantitative adjustment in the Restated Consolidated Summary Statements are as follows:

1) The audit reports for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 included emphasis of matter in respect of going concern assumption in respect of D. S. Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and March 31, 2013 and a wholly owned subsidiary as at March 31, 2015. The enterprise is normally viewed as a going concern that is as continuing in operation for the foreseeable future. The Management of D. S. Digital Private Limited is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.

2) The audit reports for the years ended March 31, 2015 and March 31, 2014 included emphasis of matter in respect of recognition of deferred tax asset in respect of D. S. Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and a wholly owned subsidiary as at March 31, 2015. The auditors of the respective enterprise have relied upon the assertion of the management of D. S. Digital Private Limited regarding that the deferred tax asset is recognized for the year ended March 31, 2014 considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management. However, for the year ended March 31, 2015, no further assets were recognized as a matter of abundant precaution. Refer note 2 and 3 of Annexure X.

3) The audit report for the year ended March 31, 2014 included emphasis of matter in respect of delay in holding Annual General Meeting in respect of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), a joint venture as at March 31, 2014. Annual General Meeting of DS Digital Private Limited was required to be held by November 30, 2013. However, the meeting was actually held on January 23, 2014.

4) The audit report for the year ended March 31, 2015 included emphasis of matter in respect of impairment of intangible asset in respect of S Chand Edutech Private Limited, a subsidiary of the Company. The auditors of the respective enterprise have relied upon the assertion of the management and not considered impairment of assets. Refer note 3 of Annexure XVB.

5) The audit report for the year ended March 31, 2014 included emphasis of matter in respect of impairment of intangible asset in respect of S Chand Edutech Private Limited, a subsidiary of the Company. The auditors of the respective enterprise have relied upon the assertion of management regarding data taken in computation of discounted cash flow for deriving realizable value, in accordance of which the expected cash flow (DCF) exceeds the carrying value of the fixed assets. Refer note 3 of Annexure XVB.

b. Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2015 on the consolidated financial statements for the year ended March 31, 2015 which do not require any corrective adjustment in the Restated Consolidated Summary Statements are as follows:

1) Clause (i) (a)

The Holding Company and certain covered entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

In respect of one subsidiary company as reported by the other auditor who audited the financial statement of subsidiary company of the Group, fixed assets are not tagged in fixed assets register.

In respect of one subsidiary company as reported by the other auditor who audited the financial statement of subsidiary company of the Group, subsidiary company is in the process of updating records showing full particulars including quantitative detail and situation of fixed assets.

2) Clause (ii) (c)

The Holding Company and the covered entities (to the extent applicable) is maintaining proper records of inventory. Discrepancies noted on physical verification of inventories were not material and have been properly dealt with in the books of account.

In respect of one subsidiary company, as reported by the other auditor who audited the financial statement of the subsidiary company, the entity is maintaining records of inventory which needs improvement

3) Clause (iv)

In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements of certain covered entities of the Group, there is an adequate internal control system commensurate with the size of the Holding Company and the covered entities of the Group and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the covered entities of the Group except as reported by us in respect of Holding Company the internal control system for sale of goods needs to be strengthened to make it commensurate with the size of the company and nature of its business. During the course of our audit and as reported by the other auditors who audited the financial statements of certain covered entities of the Group, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered entities of the Group in respect of these areas.

4) Clause (vii) (a)

In our opinion, and according to the information and explanation given to us and record of the Holding Company examined by us, and based on the reports of the other auditor of 6 covered entities, the Holding Company and aforesaid covered entities are generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax, custom duty, cess and other material statutory dues, as applicable, with the appropriate authorities.

In our opinion, and according to the information and explanation given to us and record of one subsidiary company examined by us, there has been serious delay in large number of cases of provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax and other material statutory dues, as applicable, with appropriate authorities.

5) Clause (vii) (b)

According to the information and explanation given to us, undisputed dues in respect of income-tax and service tax were outstanding, at the year end, for a period of more than six months from the date they become payable in respect of one covered entity of the Group is as follows:

Name of the entity	Name of the statute	Name of the dues	Amount (Rs. In million)	Period to which the amount relate
BPI (India) Private Limited	Finance Act, 1994	Service tax	0.07	April 2014 to August 2014
BPI (India) Private Limited	Income Tax Act, 1961	Tax deducted at source	1.80	April 2014 to August 2014

6) Clause (vii) (c)

According to the records of the Holding Company and the covered entities of the Group and as reported by the other auditor who audited the financial statement of certain covered entities in the Group, the dues outstanding on account of any dispute, are as follows:

Name of the entity	Name of the statute	Nature of dues	Amount (Rs. In million)	Period to which the amount relate	Forum where the dispute is pending
S Chand and Company Private Limited	Income Tax Act,1961	Disallowance of expenses, Foreign Travel, Advertisement and Closing Stock	30.30	A.Y 2004-05	Delhi High Court
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of expenses, Travelling, advertisement, Sec 14A and Closing Stock	4.46	A.Y 2005-06	Delhi High Court
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of expenses Advertisement, Sec 14A and Closing Stock	1.46	A.Y 2006-07	Delhi High Court
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of Closing Stock	3.42	A.Y 2007-08	Delhi High Court
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of E Software Stock	15.20	A.Y 2007-08	ITAT
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of Closing Stock	4.16	A.Y 2008-09	Delhi High Court
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of Closing Stock	5.34	AY 2009-10	Delhi High Court
S Chand and Company Private Limited	Income Tax Act, 1961	Disallowance of Closing Stock ,Sec 94(7),Credit Card Payments	6.63	AY 2010-11	ITAT
S Chand and Company Private Limited	Income Tax Act 1961	Disallowance on account of closing stock	8.18	AY 2011-12	ITAT

7) Clause (viii)

According to the records of the Holding Company and 5 subsidiaries audited by us, and based on the report of other auditor in respect of 2 subsidiaries, these entities have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year.

Based on the audit report of the other auditor, 1 associate and 1 subsidiary company, accumulated losses are more than fifty percent of its net worth and have incurred cash losses in the current and in the immediately preceding financial year.

Based on the audit report of other auditor, in case of 1 subsidiary company accumulated losses are more than fifty percent of its net worth and it has incurred cash losses in the current but not in the immediately preceding financial year.

According to the records of 1 subsidiary company, audited by us, the Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses are more than fifty percent of its net worth and have incurred cash losses in the current and in immediately preceding financial year.

8) Clause (ix)

Based on our audit procedures and as per the information and explanations given by the management and based on the report of other auditor who audited the financial statement of certain covered entities of the Group, the Group have not defaulted in their repayment of dues to financial institution, bank or debenture holder except in case of one subsidiary, audited by us, which has delayed in repayment of dues to banks during the year to the extent of Rs. 211,000 (the delay in such repayments being for less than 13 days in each individual case) and Rs. Nil of such dues were in arrears as on the balance sheet date.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IVC – Material regroupings

W.e.f April 01, 2014, Schedule III of the Companies Act, 2013 has become applicable to the Group for the preparation and presentation of its financial statements which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956 which became applicable to the Group w.e.f April 01, 2011 for the preparation and presentation of its financial statements. The adoption of the Schedule III of the Companies Act, 2013/Revised Schedule VI of the Companies Act, 1956 does not impact recognition and measurement principles followed for preparation of financial statements. There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. The restated consolidated summary statements have been prepared based on the presentation requirements specified under Schedule III of the Companies Act, 2013, which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956.

Appropriate adjustments have been made in the restated consolidated summary statements of assets and liabilities, profit and losses and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the regroupings as per the audited financials of the Company for the three months period ended December 31, 2016, prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure V - Notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate information

S Chand and Company Limited ("the Company" or "the Holding Company") and its subsidiaries, associate companies and jointly controlled entities (hereinafter collectively referred to as 'the Group') are engaged in the activities of publishing, printing and binding of educational books with products ranging from school books, higher academic books, competition and reference books, technical and professional books and children books, manufacturing of educational kits and providing interactive digital solutions to schools and engineering in India and abroad.

The Company has become a Public Limited Company w.e.f. 8th September 2016 and consequently the name of the Company has changed from S Chand and Company Private Limited to S Chand and Company Limited.

2. Basis of preparation

The Restated Consolidated Summary Statement of assets and liabilities of the Group as at December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and the related Restated Consolidated Summary Statement of profits and losses and Restated Consolidated Summary Statement of cash flows for the period/years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and annexures thereto (herein collectively referred to as "Restated Consolidated Summary Statements") have been compiled by the management from the audited consolidated financial statements for the years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 respectively.

The consolidated financial statements of the Group for the period/years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 have been prepared using the historical general purpose audited financial statements of the Group for the period/years ended December 31, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 respectively which were prepared under generally accepted accounting principles in India (Indian GAAP) and originally approved by the board of directors at the relevant time.

The Group has prepared the consolidated financial statements to comply in all material respects with the accounting standards specified under the Companies Act, 1956 (the "Act") and as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India. These consolidated financial statements have been prepared using the historical cost convention on an accrual basis except for leasehold land and building which has been revalued. The accounting policies have been consistently applied by the Group and are consistent with those adopted in the preparation of financial statements for the nine months period ended December 31, 2016 except those disclosed under para 2.2(a) below."

These consolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 in addition to the Revised Schedule VI to the Companies Act, 1956.

The Restated Consolidated Summary statements have been prepared specifically for the inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed initial public offering.

These Restated Consolidated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

2.1. Principles of Consolidation

The consolidated financial statement relates to the Holding Company, its subsidiary companies, associate companies and jointly controlled entities ('the Group Companies') collectively referred to as 'the Group'. The consolidated financial statements have been prepared on the following basis:-

i. The financial statements of the Holding Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances/ transactions and resulting profits in full. Unrealized profit / losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group.

ii. In accordance with Accounting Standard 27 "Financial Reporting of Interest in Joint Venture", the financial statements of the joint venture are consolidated using proportionate consolidation method by adding book values of like items of assets, liabilities, incomes and expenses of jointly controlled entity after eliminating intra-group balances / transactions and unrealized profits to the extent of the group's proportionate share.

iii. Investment in associates (entity over which the Company exercises significant influence, which is neither a subsidiary nor a joint venture) are accounted for using the equity method as per Accounting Standard 23 on Accounting for Investment in Associates in Consolidated Financial Statements. The consolidated financial statements include the share of profit/loss of associate companies, which are accounted for under the equity method as per which the share of profit/loss of the associate company has been adjusted to the carrying amount of the investment. Further, for the purpose of consolidation, the proportionate share of profit/loss of the associate companies to the extent of investment in equity share has been considered.

iv. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements. Differences in accounting policies have been disclosed separately.

v. The difference between the cost to the Group of investment in subsidiaries and the proportionate share in the equity of the investee company as at the date of acquisition of stake, if any, is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date.

vi. Minorities' interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Group. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Holding Company.

vii. The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

The subsidiaries considered in the consolidated financial statements are listed below:

Name of the Company	Country of Incorporation	Percentage of effective ownership interest held (directly or indirectly) as at						Relationship as at					
		December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Nirja Publishers and Printers Private Limited	India	100%	100%	100%	100%	100%	100%	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited
Eurasia Publishing House Private Limited	India	100%	100%	100%	100%	100%	-	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	-
Blackie & Son (Calcutta) Private Limited	India	100%	100%	100%	100%	100%	-	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	-
Vikas Publishing House Private Limited	India	100%	100%	100%	100%	100%	-	Subsidiary of S Chand and Company Limited (including 2% through Nirja Publishers and Printers Private Limited)	Subsidiary of S Chand and Company Limited (including 2% through Nirja Publishers and Printers Private Limited)	Subsidiary of S Chand and Company Limited (including 2% through Nirja Publishers and Printers Private Limited)	Subsidiary of S Chand and Company Limited (including 2% through Nirja Publishers and Printers Private Limited)	Subsidiary of S Chand and Company Limited (including 2% through Nirja Publishers and Printers Private Limited)	-
Rajendra Ravindra Printers Private Limited*	India	-	-	-	100%	100%	-	-	-	-	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited	-
Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	India	100%	100%	100%	100%	100%	100%	Subsidiary of S Chand and Company Limited (including 40.08% through Nirja Publishers and Printers Private Limited)	Subsidiary of S Chand and Company Limited (including 40.08% through Nirja Publishers and Printers Private Limited)	Subsidiary of S Chand and Company Limited (including 37.92% through Nirja Publishers and Printers Private Limited)	Subsidiary of Nirja Publishers and Printers Private Limited (including 26.65% through S Chand and Company Limited)	Subsidiary of S Chand and Company Limited	Subsidiary of S Chand and Company Limited
BPI (India) Private Limited	India	51%	51%	51%	51%	51%	-	Subsidiary of Blackie & Son (Calcutta) Private Limited	Subsidiary of Blackie & Son (Calcutta) Private Limited	Subsidiary of Blackie & Son (Calcutta) Private Limited	Subsidiary of Blackie & Son (Calcutta) Private Limited	Subsidiary of Blackie & Son (Calcutta) Private Limited	-
Arch Papier-Mache Private Limited (till December 8, 2016)	India	-	100%	100%	100%	100%	-	-	Subsidiary of Vikas Publishing House Private Limited	Subsidiary of Vikas Publishing House Private Limited	Subsidiary of Rajendra Ravindra Printers Private Limited	Subsidiary of Rajendra Ravindra Printers Private Limited	-
S Chand Edutech Private Limited	India	74%	74%	74%	74%	74%	74%	Subsidiary of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Subsidiary of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Subsidiary of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Subsidiary of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Subsidiary of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Subsidiary of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	India	99.93%	99.93%	99.93%	-	-	-	Subsidiary of S Chand and Company Limited (including 49% through Safari Digital Education Initiatives Private Limited)	Subsidiary of S Chand and Company Limited (including 49% through Safari Digital Education Initiatives Private Limited)	Subsidiary of S Chand and Company Limited (including 49% through Safari Digital Education Initiatives Private Limited	-	-	-
New Saraswati House (India) Private Limited	India	100%	100%	51.22%	-	-	-	Subsidiary of S Chand and Company Limited (including 23.90% through Vikas Publishing House Private Limited)	Subsidiary of S Chand and Company Limited (including 23.90% through Vikas Publishing House Private Limited)	Subsidiary of S Chand and Company Limited (including 23.90% through Vikas Publishing House Private Limited)	-	-	-
Chhaya Prakashani Private Limited (w.e.f December 5, 2016)	India	74%	-	-	-	-	-	Subsidiary of S Chand and Company Limited (including 30.47% through Eurasia Publishing House Private Limited)	-	-	-	-	-
Indian Progressive Publishing Co. Private Limited (w.e.f December 5, 2016)	India	74%	-	-	-	-	-	Wholly-owned subsidiary of Chhaya Prakashani Private Limited	-	-	-	-	-
Publishing Services Private Limited (w.e.f December 5, 2016)	India	74%	-	-	-	-	-	Wholly-owned subsidiary of Chhaya Prakashani Private Limited	-	-	-	-	-

*merged with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014.

The jointly controlled entities considered in the consolidated financial statements are listed below:

Name of the Company	Country of Incorporation	Percentage of effective ownership interest held (directly or indirectly) as at						Relationship as at					
		December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	India	-	-	-	48.37%	48.37%	48.16%	-	-	-	Joint venture : 27.73% - S Chand and Company Limited 20.64% - Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Joint venture : 27.73% - S Chand and Company Limited 20.64% - Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Joint venture : 31.33% - S Chand and Company Limited 16.83% - Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)

The associate companies considered in the consolidated financial statements are listed below:

Name of the Company	Country of Incorporation	Percentage of effective ownership interest held (directly or indirectly) as at						Relationship as at					
		December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Blackie & Son (Calcutta) Private Limited	India	-	-	-	-	-	26.17%	-	-	-	-	-	Associate of S Chand and Company Limited
Edutor Technologies India Private Limited	India	44.66%	44.66%	33.57%	-	-	-	Associate of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Associate of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	Associate of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	-	-	-

2.2 Summary of significant accounting policies

a. Change in accounting policy

Disclosure of EBITDA

Till the year ended 31 March 2016, the Company had opted not to disclose EBITDA. From the period ended June 30, 2016 onwards, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, interest income and tax expense. . The same has been elected by the Company to enable better presentation of financial statements and enhance decision making of top management.

b. Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Plant, property and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

d. Depreciation on property, plant and equipment

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of property, plant and equipment. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for property, plant and equipment which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II.

Depreciation is provided using the written down value method as per the useful life of the assets estimated by the management except in case of (a) S Chand and Edutech Private Limited and (b) D S Digital Private Limited where depreciation is provided on straight line basis.

The Group has used the following rates to provide depreciation on its fixed assets.

Nature of assets	Useful lives as per Schedule II of the Companies Act, 2013 from April 01, 2014 onwards	Useful lives estimated by the management from April 01, 2014 onwards	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014 (WDV)	Depreciation rates as per useful lives as estimated by the management till March 31, 2014 (WDV)	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014 (SLM)	Depreciation rates as per useful lives as estimated by the management till March 31, 2014 (SLM)
Plant and equipment	15 years	15 - 25 years	13.91%	13.91%	4.75%	4.75%
Office Equipment	5 years	5 -15 years	13.91%	13.91%	4.75%	4.75%
Furniture & Fixtures	10 years	10 years	18.10%	18.10%	6.33%	6.33%
Vehicles	8 years	8- 10 years	25.89%	25.89%	9.50%	9.50%
Others - Computer	3 years	3- 6 years	40.00%	40.00%	16.21%	16.21%
Electrical installation	10 years	10 years	18.10%	18.10%	6.33%	6.33%
Building (including factory	30 years	40- 60 years	10.00%	10.00%	3.34%	3.34%

Leasehold improvements are amortized over economic useful life or unexpired period of lease whichever is lower.

Leasehold land is amortized on a straight line basis over the period of lease.

Based on the expected useful life of these assets for the company, the Group has considered below useful lives for different classes of assets.

The useful lives of vehicles, certain plant and machinery, computers and building are estimated as 10, 25, 6, 40 to 60 years respectively. These lives are higher than those indicated in schedule II.

Asset costing Rs. 5,000 or less are depreciated entirely in the year of purchase.

Second hand assets are depreciated over the estimated remaining useful life.

The aggregate net block of (a) S Chand Edutech Private Limited and (b) DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) is 7.85% of the total net block of the Group as on 31 December 2016, 9.11% of the total net block of the Group as on 31 March 2016 and 8.78% of the total net block of the Group as on 31 March 2015. The net block of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) is 6.33% and 7% of the total net block of the Group as at March 31, 2014 and March 31, 2013 respectively.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life of the intangible asset. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Group amortizes the intangible asset over the best estimate of its useful life.

In BPI (India) Private Limited, during the financial year 2014-15, management has revised the estimated useful life of In-House Development from 5 years to 10 years. The management believes that such change will result in a more appropriate presentation of this asset and will give a systematic basis of amortization more representative of the time pattern in which the economic benefit will be derived from the use of such assets.

Research and development

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

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

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

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Goodwill is recognized as difference between purchase consideration and value of net assets taken over.

Group's intangible assets are amortized over their estimated useful lives as listed below using straight line method:

Nature of assets	Useful Lives
Goodwill	5-10 years
Copyright	5-10 years
In-house product development	10 seasons
Technical know-how	3-6 years
Content	10 years
License fees	5 years
Publishing rights	10 years
Website development	10 years
Other intangible (computer software)	3-10 years

f. Impairment of tangible and intangible assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations is recognized in the statement of profit and loss.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g. Leases

Operating lease

Where the Group is the lessee
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor
Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Finance lease

Where the Group is the lessee
Finance leases, which effectively transfer to the group 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

h. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

i. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

j. Government grants and subsidies

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. Government grants and subsidies receivable against specific fixed asset are deducted from cost of the relevant fixed asset.

k. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a First In First Out (FIFO) basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First out (FIFO) basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First out (FIFO) basis.

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

l. Revenue recognition

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation or delivery of goods to the customer, as the case may be. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation or delivery of goods to the customer, as the case may be. Sales are net of turnover discounts and sales returns.

Job work

Revenue from Job work is recognized when printing and binding job is complete and accepted by the customer and all significant risk and rewards relating to job work are transferred to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Service work

Revenue from service work is recognized when contents, designs, creations has been delivered to and is accepted by the customer and all significant risk and rewards relating to service work are transferred to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Income from Customized Interactive

Income from Customized Interactive Content is recognized on completion of Initial Training at the School premises in case of Domestic Schools and on the basis of installation of software in International Schools.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

m. Foreign currency transactions

Foreign currency transactions and balances

i) Initial Recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange Differences
The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:
1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
2. All other exchange differences are recognized as income or as expenses in the period in which they arise.

n. Retirement and other employee benefits

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

The Group operates defined benefit plan for its employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried at using the projected unit credit method. Actuarial gain and loss for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

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

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

o. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the group does not have convincing evidence that it will pay normal tax during the specified period.

p. Employee Stock compensation cost

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

In accordance with the SEBI (Share Based Employee Benefit) Regulation 2014, and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events if any that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

r. Provisions

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

s. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u. Segment reporting

Identification of segments
The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Inter-segment transfers
The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items
Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies
The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

v. Measurement of EBITDA

As permitted by the Schedule III of the Companies Act, 2013 (Erstwhile Revised Schedule VI to the Companies Act, 1956), the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs, finance income and tax expense.

w. Amalgamation accounting

The Group treats an amalgamation in the nature of merger if it satisfies all the following criteria:

(i) All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.

(ii) Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company.

(iii) The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any

(iv) The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.

(v) The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

All other amalgamations are in the nature of purchase.

The Group accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the Group to recognize any non-cash element of the consideration at fair value. The Group recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.
An amalgamation in the nature of purchase is accounted for using the purchase method. The cost of an acquisition/ amalgamation is measured as the aggregate of the consideration transferred, measured at fair value. Other aspects of accounting are as below:

i) The assets and liabilities of the transferor company are recognized at their fair values at the date of amalgamation. The reserves, whether capital or revenue, of the transferor company, except statutory reserves, are not recognized.

ii) Any excess consideration over the value of the net assets of the transferor company acquired is recognized as goodwill.

iii) If the amount of the consideration is lower than the value of the net assets acquired, the difference is treated as capital reserve.

iv) The goodwill arising on amalgamation is amortized to the statement of profit and loss on a systematic basis over its useful life not exceeding five years.

3 Scheme of amalgamation and demerger

During the year ended March 31, 2012, the shareholders of the Company approved a composite Scheme of Arrangement (“the Scheme”) between Atlantic Hotels Private Limited ("Transferor Company"), the Company (“Demerged Company” or "Transferee Company") and S Chand Hotels Private Limited ("Resulting Company I"), SC Hotel Tourist Deluxe Private Limited ("Resulting Company II"), SHAARA Hospitalities Private Limited ("Resulting Company III") and S Chand Properties Private Limited ("Resulting Company IV") which provided for the amalgamation of the Transferor Company with the Transferee Company and the demerger of Hotel Iris Hometel of the Demerged Company (“Demerged Undertaking I”), Hotel Tourist Deluxe of the Demerged Company (“Demerged Undertaking II”), Atlantic Hotel of Demerged Company (“Demerged Undertaking III”) and Real Estate division of the Demerged Company (“Demerged Undertaking IV”) to Resulting Company I to IV respectively with effect from April 1, 2011 (“Appointed Date”).The composite scheme of arrangement was sanctioned by the Hon’ble High Court of Delhi at New Delhi on October 21, 2011 subject to the sanction by the Hon’ble High Court of Judicature at Madras (“the Court”) which was received on Sept 14, 2012 and registered with the Registrar of Companies on October 16, 2012, thereby becoming effective and binding.

Pursuant to the Scheme of Amalgamation, the entire business and functions of the Transferor Company, including all its properties, assets, liabilities and duties were transferred to the Company and the Transferor Company was dissolved without the process of winding up.

The amalgamation of the Transferor Company and the Transferee Company was accounted for in accordance with the pooling of interests method prescribed by the Accounting standard - 14 "Accounting for amalgamations" in pursuance of the Scheme. All assets and liabilities of the Transferor Company as at April 1, 2011, were transferred to and vested in Transferee company on a going concern basis, at their respective book values. Since the entire issued, subscribed and paid up share capital of the Transferor Company was held by the Transferee Company, such share capital of the Transferor Company was cancelled and no shares were issued or allotted in consideration of the amalgamation of the Transferor company and Transferee company.

The salient features of the Scheme with respect to the amalgamation of the Transferor and Transferee Company included:

1. The entire business of Atlantic Hotels Private Limited stood transferred to and vested in the Company as a going concern, so as to become the estate, assets, rights, title and interests of the Transferee Company and its successors;

2. Our Company became entitled to the land with the buildings standing thereon , if any held by the Transferor Company and any documents of title or rights and easements in relation thereto;

3. Any licences, permits, quotas, permissions, or approvals or any such similar tax credit, by whatever name called, sales tax deferrals, brought forward business losses, subsidies, concessions, grants, tenancy rights, liberties enjoyed or conferred upon or held by the Transferor Company stood vested in and became available to the Transferee Company;

4. All suits, actions, or legal proceedings by or against the Transferor Company were transferred to the Transferee Company and were to be continued and enforced by and/or against the Company as effectually as if such suits, actions, or legal proceedings had been pending and/or arising against and/or instituted by or against the Transferee Company;

5. All the employees in the service of the Transferor Company became the employees of the Company, without any break or interruption in service and on the same terms and conditions on which they were engaged by the Transferor Company;

6. The authorised share capital of the Transferor Company stood merged with the authorised share capital of the Transferee Company;

7. In respect of the shares held by the Transferee Company in the Transferor Company, the same stood cancelled on the effective date and both the Companies shall have no further obligation outstanding in this behalf.

All assets and liabilities of the Demerged Undertaking I to IV as at April 1, 2011, were transferred to and vested in Resulting Company I to IV on a going concern basis, at their respective book values. The excess of the assets over liabilities of the Demerged Undertaking aggregating to Rs. 424.75 million has been adjusted against General Reserve in accordance with the provision of the Scheme. In consideration of the transfer of the Demerged Undertaking I to IV, the equity shareholders of the Company were allotted 30,926,693 equity shares of Re. 10/- each, 1,709,711 equity shares of Rs. 10 each, 1,589,894 equity shares of Rs. 10 each, 8,248,394 equity shares of Rs. 10 each credited as fully paid up in the Resulting Companies I to IV respectively for an amount equivalent to the book value of its net assets of the respective Demerged Undertaking, in the same proportion in which they held equity shares in the Company.

The salient features of the Scheme with respect to the demerger included:

1. Any permissions, quotas, sanctions or approvals, concessions, exemptions under various enactments relatable to respective Demerged undertaking(s) stood vested in or transferred and became available to the respective Resulting Company(s);

2. All legal or other proceedings by or against the Demerged Company and relating to the respective Demerged Undertaking(s) were transferred to the respective Resulting Company(s) and were to be continued and enforced by and/or against the respective Resulting Company(s) as effectually as if legal or other proceedings had been pending and/or arising against and/or instituted by or against the respective Resulting Company(s);

3. All the employees exclusively engaged in relation to the respective Demerged Undertaking(s) became the employees of the respective Resulting Company(s), on the same terms and conditions on which they were engaged by the Demerged Company; and without any break or interruption in

4. The authorised share capital of the respective Resulting Company(s) stood increased equivalent to the value of shares issued by the respective resulting Company(s).

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VI - Restated consolidated statement of share capital

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount
Authorised share capital												
Equity shares of Rs. 1,000 each	-	-	-	-	-	-	-	-	-	-	0.00	2.50
Equity shares of Rs. 10 each	-	-	2.21	22.10	2.21	22.10	2.21	22.10	2.21	22.10	-	-
Equity shares of Rs. 5 each	40.00	200.00	-	-	-	-	-	-	-	-	-	-
Total (A)	**40.00**	**200.00**	**2.21**	**22.10**	**2.21**	**22.10**	**2.21**	**22.10**	**2.21**	**22.10**	**0.00**	**2.50**
Issued share capital												
Equity shares of Rs. 1,000 each	-	-	-	-	-	-	-	-	-	-	0.00	1.00
Equity shares of Rs. 10 each	-	-	0.20	2.02	0.32	3.22	0.32	3.22	0.31	3.13	-	-
Equity shares of Rs. 5 each	29.84	149.22	-	-	-	-	-	-	-	-	-	-
Total (B)	**29.84**	**149.22**	**0.20**	**2.02**	**0.32**	**3.22**	**0.32**	**3.22**	**0.31**	**3.13**	**0.00**	**1.00**
Subscribed and fully paid up share capital												
Equity shares of Rs. 1,000 each	-	-	-	-	-	-	-	-	-	-	0.00	1.00
Equity shares of Rs. 10 each	-	-	0.20	2.02	0.17	1.72	0.17	1.72	0.16	1.63	-	-
Equity shares of Rs. 5 each	29.84	149.22	-	-	-	-	-	-	-	-	-	-
Total (C)	**29.84**	**149.22**	**0.20**	**2.02**	**0.17**	**1.72**	**0.17**	**1.72**	**0.16**	**1.63**	**0.00**	**1.00**
Share forfeiture account												
Equity shares of Rs. 1,000 each (Rs. 300 paid up)	-	-	-	-	-	-	-	-	-	-	0.00	0.45
Equity shares of Rs. 10 each (Rs. 3 paid up)	-	-	-	-	0.15	0.45	0.15	0.45	0.15	0.45	-	-
Total (D)	**-**	**-**	**-**	**-**	**0.15**	**0.45**	**0.15**	**0.45**	**0.15**	**0.45**	**0.00**	**0.45**
Total share capital (C+D)		**149.22**		**2.02**		**2.17**		**2.17**		**2.08**		**1.45**

Note:

1) During the year ended March 31, 2013, authorised share capital of the Company was increased by Rs. 2.50 million via board resolution dated September 17, 2012 and by Rs. 17.10 million consequent to demerger order dated October 21, 2011 and September 14, 2012 passed by Hon'ble Delhi High Court and Hon'ble Madras High Court respectively.

2) Equity shares of Rs. 1,000 each were subdivided into 100 equity shares of Rs. 10 each as per resolution passed by shareholders at extraordinary general meeting dated June 30, 2012. Further, equity shares of Rs. 10 each were subdivided into 2 equity shares of Rs. 5 each as per resolution passed by shareholders at extraordinary general meeting dated April 20, 2016.

3) During the nine months period ended December 31, 2016, authorised share capital of the Company was increased by Rs. 177.90 million to Rs. 200.00 million divided into 40 million equity shares of Rs. 5 each from Rs. 22.10 million divided into 4.42 million equity shares of Rs. 5 each via board resolution dated March 4, 2016 and shareholders' resolution dated April 20, 2016.

4) During the financial year 2015-16, the Company cancelled its 149,900 forfeited equity shares pursuant to resolution passed at Board Meeting dated September 22, 2015 and amount of Rs. 0.45 million has been transferred to Capital Reserve. (Refer Annexure VII).

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VI - Restated consolidated statement of share capital

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period/year **(Amount in Rupees million)**

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount
At the beginning of the period/year	0.20	2.02	0.17	1.72	0.17	1.72	0.16	1.63	0.00	1.00	0.00	1.00
Issued during the period/year	-	-	0.03	0.30	-	-	0.01	0.09	0.06	0.63	-	-
Issued during the period – share split	0.20	-	-	-	-	-	-	-	0.10	-	-	-
Issued during the period – bonus issue	29.44	147.21	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period/year	**29.84**	**149.23**	**0.20**	**2.02**	**0.17**	**1.72**	**0.17**	**1.72**	**0.16**	**1.63**	**0.00**	**1.00**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays the dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

Amount of dividend per share recognized as distribution to equity shareholders **(Amount in Rupees)**

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Equity shares of Rs. 1,000 each (on 1,001 equity	-	-	-	-	2,500	2,500
Equity shares of Rs. 10 each (on 162,776 equity	-	-	-	25	-	-
Equity shares of Rs. 5 each (on 403,304 equity	25	-	-	-	-	-

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

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date **No. of shares (in millions)**

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Equity shares of Rs. 5 each allotted as fully paid bonus shares by capitalization of securities premium	29.44	-	-	-	-	-

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

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	No. of shares (in millions)	% of holding	No. of shares (in millions)	% of holding	No. of shares (in millions)	% of holding	No. of shares (in millions)	% of holding	No. of shares (in millions)	% of holding	No. of shares (in millions)	% of holding
Equity shares of Rs. 1,000 each fully paid up												
Mr. Himanshu Gupta	-	-	-	-	-	-	-	-	-	-	0.00	11.79%
Mrs. Neerja Jhunjhnuwala	-	-	-	-	-	-	-	-	-	-	0.00	19.88%
Mr. Dinesh Kumar Jhunjhnuwala	-	-	-	-	-	-	-	-	-	-	0.00	19.98%
Mrs. Savita Gupta	-	-	-	-	-	-	-	-	-	-	0.00	20.28%
Mrs. Nirmala Gupta	-	-	-	-	-	-	-	-	-	-	0.00	26.47%
Equity shares of Rs. 10 each fully paid up												
Everstone Capital Partners II LLC	-	-	0.07	32.27%	0.05	31.75%	0.05	31.75%	0.05	27.74%	-	-
Mr. Himanshu Gupta	-	-	0.04	18.19%	0.04	21.28%	0.01	8.21%	0.01	8.70%	-	-
Mrs. Neerja Jhunjhnuwala	-	-	0.02	11.91%	0.02	13.93%	0.02	13.93%	0.02	14.75%	-	-
Mr. Dinesh Kumar Jhunjhnuwala	-	-	0.02	11.64%	0.02	13.61%	0.02	13.61%	0.02	14.42%	-	-
International Finance Corporation	-	-	0.02	9.40%	-	-	-	-	-	-	-	-
Mrs. Savita Gupta	-	-	0.02	8.36%	0.02	9.79%	0.02	9.79%	0.02	10.36%	-	-
Mrs. Nirmala Gupta	-	-	0.01	6.38%	0.01	7.46%	0.04	20.53%	0.04	21.74%	-	-
Equity shares of Rs. 5 each fully paid up												
Everstone Capital Partners II LLC	9.63	32.27%	-	-	-	-	-	-	-	-	-	-
Mr. Himanshu Gupta	6.17	20.67%	-	-	-	-	-	-	-	-	-	-
Mr. Dinesh Kumar Jhunjhnuwala	4.06	13.62%	-	-	-	-	-	-	-	-	-	-
Mrs. Neerja Jhunjhnuwala	3.55	11.91%	-	-	-	-	-	-	-	-	-	-
International Finance Corporation	2.81	9.40%	-	-	-	-	-	-	-	-	-	-

As per records of the Company, including its register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e . Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 8 of Annexure XXXVI.

Notes:

1) Bonus shares were issued to the shareholders in the ratio of 73:1 as per resolution passed at extraordinary general meeting (EGM) dated April 20, 2016.
2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VII - Restated consolidated statement of reserves and surplus

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
A. Capital reserve						
Balance as at beginning of the period/year	0.51	0.06	0.06	0.06	0.06	0.11
Less: adjustment on account of merger of Atlantic Hotels Private Limited (Refer note 3 of Annexure V)	-	-	-	-	-	(0.05)
Add: on cancellation of forfeited shares (Refer Note 2 below)	-	0.45	-	-	-	-
Closing balance (A)	**0.51**	**0.51**	**0.06**	**0.06**	**0.06**	**0.06**
B. Capital reserves on consolidation						
Balance as at beginning of the period/year	26.40	108.38	108.38	108.38	26.40	27.30
Less: adjustment on account of merger of Atlantic Hotels Private Limited (Refer note 3 of Annexure V)	-	-	-	-	-	(0.90)
Add: adjustment on account of consolidation of Rajendra Ravindra Printers Private Limited	-	-	-	-	81.98	-
Add: adjustment on account of amalgamation (Refer note 1 below)	-	(81.98)	-	-	-	-
Closing balance (B)	**26.40**	**26.40**	**108.38**	**108.38**	**108.38**	**26.40**
C. Investment allowance reserve						
Balance as at beginning of the period/year	-	-	-	-	-	0.10
Less: adjustment on account of merger of Atlantic Hotels Private Limited (Refer note 3 of Annexure V)	-	-	-	-	-	(0.10)
Closing balance (C)	**-**	**-**	**-**	**-**	**-**	**-**
D. Revaluation reserve						
Balance as at beginning of the period/year	-	-	-	-	-	331.22
Less: adjustment on account of merger of Atlantic Hotels Private Limited (Refer note 3 of Annexure V)	-	-	-	-	-	(331.22)
Closing balance (D)	**-**	**-**	**-**	**-**	**-**	**-**
E. General reserve						
Balance as at beginning of the period/year	617.21	650.02	649.52	646.52	593.02	947.76
Add: amount transferred from surplus in the statement of profit and loss	-	-	0.50	3.00	53.50	70.00
Less: adjustment on account of amalgamation of Rajendra Ravindra Printers Private Limited (Refer note 1 below)	-	(68.39)	-	-	-	-
Add: adjustment on account of amalgamation of Rajendra Ravindra Printers Private Limited (Refer note 1 below)	-	35.58				
Less: transfer on account of demerger (Refer note 3 of Annexure V)	-	-	-	-	-	(424.75)
Closing balance (E)	**617.21**	**617.21**	**650.02**	**649.52**	**646.52**	**593.01**
F. Securities premium account						
Balance as at beginning of the period/year	3,638.92	1,947.95	1,947.95	1,598.05	-	-
Add: premium on issue of equity shares (Refer Note 3, 4 and 5 below)	-	1,699.63	-	349.90	1,598.05	-
Less: utilised during the year against share issue expenses	-	(8.66)	-	-	-	-
Less: utilised towards issue of bonus shares (Refer Note 6 below)	(147.21)	-	-	-	-	-
Closing balance (F)	**3,491.71**	**3,638.92**	**1,947.95**	**1,947.95**	**1,598.05**	**-**
G. Employee stock options outstanding						
Balance as at beginning of the period/year	5.12	-	-	-	-	-
Add: compensation options granted during the year/period	9.33	5.12	-	-	-	-
Closing balance (G)	**14.45**	**5.12**	**-**	**-**	**-**	**-**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VII - Restated consolidated statement of reserves and surplus

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
H. Surplus in the statement of profit and loss						
Balance as at beginning of the period/year	1,701.34	1,234.97	969.15	553.46	287.43	152.02
Add: adjustment on account of merger of Atlantic Hotels Private Limited (Refer note 3 of Annexure V)	-	-	-	-	-	66.50
Add: adjustment on account of minority share of loss of S Chand Edutech Private Limited	-	-	-	-	-	0.06
Less: adjustment on account of change in shareholding of DS Digital Private Limited	-	-	-	-	(0.30)	(1.05)
Less: adjustment on conversion of Blackie & Son (Calcutta) Private Limited from associate to subsidiary	-	-	-	-	(0.63)	-
Restated profit/(loss) for the period/year	(897.20)	466.37	268.45	423.42	323.37	146.91
Less: appropriations						
Interim equity dividend	(10.08)	-	-	-	-	-
Tax on interim equity dividend	(2.05)	-	-	-	-	-
Proposed final equity dividends	-	-	-	(4.07)	(2.50)	(2.50)
Tax on proposed equity dividend	-	-	-	(0.66)	(0.41)	(0.42)
Transfer to general reserves	-	-	(0.50)	(3.00)	(53.50)	(74.09)
Depreciation (net of tax) due to transitional provision of Schedule II of Companies Act, 2013	-	-	(2.13)	-	-	-
Closing balance (H)	**792.01**	**1,701.34**	**1,234.97**	**969.15**	**553.46**	**287.43**
Total reserves and surplus (A+B+C+D+E+F+G+H)	**4,942.29**	**5,989.50**	**3,941.38**	**3,675.06**	**2,906.47**	**906.90**

Notes:

1) The Board of Directors of Vikas Publishing House Private Limited ("transferee") and Rajendra Ravindra Printers Private Limited ("transferor" or "RRPPL"), subsidiary companies of the Holding Company, had approved a scheme of amalgamation ("the scheme") u/s 391-394 of the Companies Act, 1956 and applicable provisions of Companies Act 2013. The amalgamation has been approved by Hon'ble High Court w.e.f. 1st April, 2014. Refer note 13 of Annexure XXXVI.
2) During the financial year 2015-16, the Company cancelled its 149,900 forfeited shares pursuant to resolution passed at Board Meeting dated September 22, 2015 and transferred the paid up amount to capital reserves.
3) During the financial year 2015-16, the Company received premium on issuance of 29,299 equity shares of Rs. 10 each at a premium of Rs. 58,010 per share.
4) During the financial year 2012-13, the Company received premium on issuance of 62,676 equity shares of Rs. 10 each at a premium of Rs. 25,496.99 per share.
5) During the financial year 2013-14, the Company converted its 35 compulsory convertible debentures of Rs. 10,000,000 each into 9,577 equity shares of Rs. 10 each at a premium of Rs. 36,535.89 per share as per the share purchase agreement. The same was disclosed as "Compulsory Convertible Debentures" in Annexure IX for the year ended March 31, 2013.
6) During the nine months period ended December 31, 2016, the Company utilized securities premium on issuance of 29,441,192 bonus equity shares of Rs. 5 each at Rs. 5 each pursuant to the ordinary resolution passed at the extra-ordinary general meeting held on April 20, 2016.
7) Dividend proposed by the Board of Directors for years ended March 31, 2011, March 31, 2012 and March 31, 2013 has been considered as non-adjusting event as at respective year ends and has been adjusted against opening reserves and surplus as at April 01, 2011 and reserves and surplus for the years ended March 31, 2012, March 31, 2013 and March 31, 2014 respectively as per requirement of Revised AS-4.
8) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
9) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure VIII - Restated consolidated statement of minority interest

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
BPI (India) Private Limited						
% share of minority	49%	49%	49%	49%	49%	-
Share in equity	5.51	5.51	5.51	5.51	5.51	-
Share in the reserves	24.35	25.96	26.01	24.88	22.80	-
New Saraswati House (India) Private Limited						
% share of minority	-	-	48.78%	-	-	-
Share in equity	-	-	0.10	-	-	-
Share in the reserves	-	-	183.82	-	-	-
Chhaya Prakashani Private Limited						
% share of minority	26%	-	-	-	-	-
Share in equity	3.86	-	-	-	-	-
Share in the reserves	54.58	-	-	-	-	-
DS Digital Private Limited						
% share of minority	0.07%	0.07%	0.07%	-	-	-
Share in equity	-	-	-	-	-	-
Share in the reserves	-	-	-	-	-	-
S Chand Edutech Private Limited						
% share of minority	26%	26%	26%	26%	26%	26%
Share in equity	-	-	-	-	-	-
Share in the reserves	-	-	-	-	-	-
Total	**88.30**	**31.47**	**215.44**	**30.39**	**28.31**	**-**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IX - Restated consolidated statement of long term borrowings

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Secured												
Term loans												
From financial institutions (Refer Note 1 (a) below)	437.17	1,618.76	442.32	36.02	861.55	157.11	17.09	16.49	6.15	4.91	-	-
From banks (Refer Note 1 (b) below)	142.22	62.75	142.09	54.19	221.23	98.08	99.01	13.40	9.10	3.22	-	-
Working capital term loan (Refer Note 28 below)												
From others	-	-	-	-	-	1.26	1.26	11.06	12.32	11.13	-	-
From banks	-	-	-	-	-	-	-	6.67	6.67	26.67	33.33	26.67
Buyers credit (Refer Note 31 below)												
From banks	-	61.68	61.68	-	61.68	-	-	-	-	-	-	-
Finance lease obligations (Refer Note 32 below)	-	-	-	-	-	6.41	3.10	5.37	9.57	3.31	-	-
Vehicle loans (Refer Note 33 below)												
From banks	11.31	5.64	12.07	7.98	19.46	10.29	16.91	9.86	10.56	8.22	8.13	4.57
From others	3.85	2.57	-	-	0.29	0.88	1.19	2.21	2.78	4.72	6.38	5.42
Compulsorily convertible debentures (Refer Note 34 below)	-	-	-	-	-	-	-	-	350.00	-	-	-
Unsecured												
Loans from related parties (Refer Note 35 below)												
From Related parties	-	-	-	-	-	-	-	-	32.17	-	30.01	-
From Directors	-	-	21.06	-	21.06	-	21.06	-	26.56	-	-	-
Total	**594.55**	**1,751.40**	**679.22**	**98.19**	**1,185.27**	**274.03**	**159.62**	**65.06**	**465.88**	**62.18**	**77.85**	**36.66**
The above amount includes:												
Amount disclosed under the head "Other current liabilities" (Annexure XII)	-	(1,751.40)	-	(98.19)	-	(274.03)	-	(65.06)	-	(62.18)	-	(36.66)
Net amount	**594.55**	-	**679.22**	-	**1,185.27**	-	**159.62**	-	**465.88**	-	**77.85**	-

Notes:

1) Key terms and breakdown of term loans are as follows:

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. Term loan from financial institutions												
Term loan 1 from Siemens Financial Services Private Limited (Refer Note 2 below)	-	1.31	0.33	3.71	4.04	3.24	-	-	-	-	-	-
Term loan 2 from Siemens Financial Services Private Limited (Refer Note 2 below)	-	1.41	0.36	3.99	4.35	3.48	-	-	-	-	-	-
Term loan 3 from Siemens Financial Services Private Limited (Refer Note 2 below)	-	3.13	1.59	5.86	7.45	5.12	-	-	-	-	-	-
Term loan 4 from Siemens Financial Services Private Limited (Refer Note 3 below)	-	-	-	0.64	0.64	3.53	4.16	3.08	-	-	-	-
Term loan 5 from Siemens Financial Services Private Limited (Refer Note 3 below)	-	-	-	2.28	2.28	3.05	5.34	2.66	-	-	-	-
Term loan 6 from Siemens Financial Services Private Limited (Refer Note 3 below)	-	-	-	1.35	1.35	2.94	4.28	2.56	-	-	-	-
Term loan 7 from Siemens Financial Services Private Limited (Refer Note 3 below)	-	0.54	-	2.04	2.04	1.78	2.80	2.55	-	-	-	-
Term loan 8 from Siemens Financial Services Private Limited (Refer Note 4 below)	0.22	0.88	0.85	0.74	-	-	-	-	-	-	-	-
Term loan 9 from Siemens Financial Services Private Limited (Refer Note 5 below)	2.22	2.65	4.24	2.40	-	-	-	-	-	-	-	-
Term loan 10 from Siemens Financial Services Private Limited (Refer Note 6 below)	7.79	14.53	1.00	2.19	3.20	1.92	-	-	-	-	-	-
Term loan 11 from Siemens Financial Services Private Limited (Refer Note 7 below)	-	-	1.14	1.76	2.90	1.54	-	-	-	-	-	-
Term loan 12 from Siemens Financial Services Private Limited (Refer Note 8 below)	-	-	1.34	1.18	2.52	0.78	-	-	-	-	-	-
Term loan 13 from Siemens Financial Services Private Limited (Refer Note 9 below)	-	-	7.81	5.79	-	-	-	-	-	-	-	-
Term loan 14 from Siemens Financial Services Private Limited (Refer Note 10 below)	-	-	2.10	1.26	-	-	-	-	-	-	-	-
Term loan 15 from Siemens Financial Services Private Limited (Refer Note 11 below)	-	-	1.56	0.83	-	-	-	-	-	-	-	-
Term loan 16 from Siemens Financial Services Private Limited (Refer Note 12 below)	7.05	4.90										
Term loan 17 from Siemens Financial Services Private Limited (Refer Note 13 below)	23.73	11.57										
Term loan 18 from Indostar Capital Finance Private Limited (Refer Note 14 below)	242.31	51.69	294.00	-	581.54	90.46	-	-	-	-	-	-
Term loan 19 from Indostar Capital Finance Private Limited (Refer Note 15 below)	103.85	22.15	126.00	-	249.24	38.76	-	-	-	-	-	-
Term loan 20 from L&T Finance Limited (Refer Note 16 below)	-	-	-	-	-	0.51	0.51	5.64	6.15	4.91	-	-
Term loan 21 from Axis Finance Limited (Refer Note 17 below)	-	1,000.00	-	-	-	-	-	-	-	-	-	-
Term loan 22 from Axis Finance Limited (Refer Note 18 below)	20.00	-										
Term loan 23 from Axis Finance Limited (Refer Note 19 below)	30.00	-										
Term loan 24 from Axis Finance Limited (Refer Note 20 below)	-	504.00										
Total (a)	**437.17**	**1,618.76**	**442.32**	**36.02**	**861.55**	**157.11**	**17.09**	**16.49**	**6.15**	**4.91**	**-**	**-**
b. Term loan from banks												
Term loan 1 from Ratnakar Bank (Refer Note 21 below)	-	-	-	-	41.67	33.33	-	-	-	-	-	-
Term loan 2 from IndusInd Bank (Refer Note 22 below)	26.44	17.64	39.70	17.64	56.40	17.35	-	-	-	-	-	-
Term loan 3 from IndusInd Bank (Refer Note 23 below)	38.89	11.11	-	-	-	-	-	-	-	-	-	-
Term Loan 4 from Karnataka Bank Limited (Refer Note 24 below)	-	-	-	-	2.67	3.22	5.88	3.22	9.10	3.22	-	-
Term loan 5 from State Bank of India (Refer Note 25 below)	54.00	24.00	72.00	24.00	96.00	24.00	80.40	-	-	-	-	-
Term loan 6 from State Bank of India (Refer Note 26 below)	22.89	10.00	30.39	10.00	21.94	10.00	-	-	-	-	-	-
Term loan 7 from Yes Bank (Refer Note 27 below)	-	-	-	2.55	2.55	10.18	12.73	10.18	-	-	-	-
Total (b)	**142.22**	**62.75**	**142.09**	**54.19**	**221.23**	**98.08**	**99.01**	**13.40**	**9.10**	**3.22**	**-**	**-**
Total (a+b)	**579.39**	**1,681.51**	**584.41**	**90.21**	**1,082.78**	**255.19**	**116.10**	**29.89**	**15.25**	**8.13**	**-**	**-**

2) In case of the Holding Company, term loan from Siemens Financial Limited has been taken during the financial year 2014-15 and carries interest @ 13.50% to 13.75% per annum. The loan is repayable in 36 equal monthly installments beginning from August 2014 onwards. The installment amount ranges from Rs. 33,609 to Rs. 542,279. The loan is secured by hypothecation of assets being purchased. Further the loan has been guaranteed by joint and several personal guarantee of Directors and demand promissory note issued in favor of lender.

3) In case of the Holding Company, term loan from Siemens Financial Limited has been taken during the financial year 2013-14 and carries interest @ 13.75%. The loan is repayable in 36 equal monthly installments beginning from June 2013 onwards. The installment amount ranges from 182,542 to of Rs. 323,535. The loan is secured by hypothecation of machine being purchased. Further the loan has been guaranteed by joint and several personal guarantee of Directors and demand promissory note issued in favor of lender.

4) In case of the Holding Company, term loan from Siemens Financial Limited has been taken during the financial year 2015-16 and carries interest @13.50%. The loan is repayable in 36 equal monthly installments of Rs. 75,879 beginning from April 2015. The loan is secured by hypothecation of assets being purchased along with the supporting ancillary equipments.

5) In case of Vikas Publishing House Private Limited, Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2015-16 which carries interest at 13% per annum It is repayable in 36 monthly installments - 3 installments of monthly interest due beginning from October 2015 and 33 equal installments of Rs. 260,668 each beginning from January 2016. It is secured by hypothecation of specified machine.

6) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2014-15 and carries interest @ 13.50% per annum. The loan is repayable in 3 equal monthly interest payments of Rs. 64,125 each beginning from September 2014 with three months principal moratorium and 33 equal monthly installments of Rs. 207,728 each beginning from December 2014. The loan is secured by exclusive charge by way of hypothecation of the computer hardware purchased along with supporting ancillary equipments. Further the loan has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala, Corporate guarantee of the Holding Company and Demand promissory note of borrower and lender.

7) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2014-15 and carries interest @ 13.50% per annum. The loan is repayable in 3 equal monthly interest payments of Rs. 52,583 each beginning from November 2014 with three months principal moratorium and 33 equal monthly installments of Rs. 170,337 each beginning from February 2015 with three months principal moratorium. The loan is secured by exclusive charge by way of hypothecation of the computer hardware purchased along with supporting ancillary equipments. Further the loan has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala, Corporate guarantee of the Holding Company and Demand promissory note of borrower and lender.

8) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2014-15 and carries interest @ 13.50% per annum. The loan is repayable in 3 equal monthly interest payments of Rs. 37,169 each beginning from April 2015 with three months principal moratorium and 33 equal monthly installments of Rs. 120,406 each beginning from July 2015. The loan is secured by exclusive charge by way of hypothecation of the computer hardware purchased along with supporting ancillary equipments. Further the loan has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala, Corporate guarantee of the Holding Company and Demand promissory note of borrower and lender.

9) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2015-16 and carries interest @ 13.50% per annum. The loan is repayable in 3 equal monthly interest payments of Rs. 187,110 each beginning from June 2015 with three months principal moratorium and 36 equal monthly installments of Rs. 606,128 each beginning from September 2015. The loan is secured by exclusive charge by way of hypothecation of the computer hardware purchased along with supporting ancillary equipments. Further the loan has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala, Corporate guarantee of the Holding Company and Demand promissory note of borrower and lender.

10) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2015-16 and carries interest @ 13.50% per annum. The loan is repayable in 3 equal monthly interest payments of Rs. 42,188 each beginning from September 2015 with three months principal moratorium and 33 equal monthly installments of Rs. 136,663 each beginning from December 2015. The loan is secured by exclusive charge by way of hypothecation of the computer hardware purchased along with supporting ancillary equipments. Further the loan has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala, Corporate guarantee of the Holding Company and Demand promissory note of borrower and lender.

11) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), Term loan from Siemens Financial Services Private Limited has been taken during the financial year 2015-16 and carries interest @ 13.50% per annum. The loan is repayable in 3 equal monthly interest payments of Rs. 28,350 each beginning from November 2015 with three months principal moratorium and 33 equal monthly installments of Rs. 91,838 each beginning from February 2016. The loan is secured by exclusive charge by way of hypothecation of the computer hardware purchased along with supporting ancillary equipments. Further the loan has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala, Corporate guarantee of the Holding Company and Demand promissory note of borrower and lender.

12) In case of Vikas Publishing House Private Limited, Term loan from Siemens Financial Services Private Limited has been taken during the nine months period ended December 31, 2016 carries interest @ 11.50% per annum. The loan is repayable in 36 monthly instalments of Rs. 0.14 million each beginning from September 2016.

13) In case of Vikas Publishing House Private Limited, Term loan from Siemens Financial Services Private Limited has been taken during the nine months period ended December 31, 2016 carries interest @ 11.50% per annum. The loan is repayable in 36 monthly instalments of Rs. 1.25 million each beginning from October 2016. The loan is secured by exclusive charge by way of hypothecation of the used printing press purchased along with supporting ancillary equipments. Further the loan has been guaranteed by a non-interest bearing security deposit of Rs. 1.95 million, which shall be refunded at the end of tenor of loan and Corporate guarantee of the Holding Company.

14) In case of the Holding Company, term loan from Indostar Capital Finance Private Limited has been taken during the financial year 2014-15 and carries interest @ 12.50% per annum to 13.00% per annum. The loan is repayable in 18 equal quarterly installments beginning from December 2014 onwards. The installment amount ranges from Rs. 14,000,000 to Rs. 48,461,532 per quarter till September 2015. In December 2015, the Company had made early repayment of loan facility amounting to Rs. 35 crore, consequent to which repayment schedule has been revised. The remaining loan amount is repayable in 7 quarterly installments ranging from Rs 3,230,773 to Rs 48,461,539 per quarter beginning from September 2017 onwards. The loan is secured by :
(i) first and exclusive charge on optionally convertible redeemable debentures of New Saraswati House (India) Private Limited by way of pledge,
(ii) first and exclusive charge on 98% equity of Vikas Publishing House Private Limited in demat form by way of pledge,
(iii) second pari passu charge on the entire fixed assets of the Holding Company,
(iv) second pari passu charge on all current assets of the Holding Company.
Further the loan facility has been secured by a demand promissory note issued in favor of lender.

15) In case of Vikas Publishing House Private Limited, Indian rupee loan from Indostar Capital Finance Private Limited has been taken during the financial year 2014-15 as a co-borrower along with the Holding Company and carries interest at the rate 12.50% per annum to 13% per annum. It is repayable in 18 quarterly flexi installments as per repayment schedule and the interest is payable on monthly basis, starting from December 2014. In December 2015, Vikas Publishing House Private Limited had made early repayment of loan facility amounting to Rs. 15 crore, consequent to which the remaining loan amount is repayable in 7 quarterly installments ranging from Rs 13,84,617 to Rs 2,07,69,231 per quarter beginning from September 2017. The loan is also secured by corporate guarantee of the Holding Company.

16) In case of the Holding Company, term loan from L&T Finance Limited has been taken during the financial year 2012-13 and carries interest @ 14%. The loan is repayable in 36 equal monthly installments of Rs. 512,664 each beginning from May 2012. The loan is secured by hypothecation of machine being purchased. Further, the loan has been guaranteed by joint and several personal guarantee of Directors and demand promissory note issued in favor of lender.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IX - Restated consolidated statement of long term borrowings

17) In S Chand and Company Private Limited, Term loan from Axis Finance Limited has been taken during the nine months period ended 31 December 2016 and carries interest @ 11.25 % p.a. The facility has been taken for a period of 5 years and is repayable in 14 equal quarterly installments of Rs. 71,428,571 beginning from June 2018. The facility has been secured against: (i) second pari passu charge on both present and future current and fixed assets of the Company, (ii) pledge on entire stake to be purchased by the Company i.e., 43.54% of Chhaya Prakashani Private Limited, (iii) pledge on 76.10% equity shares of New Saraswati House (India) Private Limited, subsidiary Company, (iv) pledge on 100% equity shares of Eurasia Publishing House Private Limited, wholly owned subsidiary company and (v) PDCs for the interest and principal amount. The above securities are to be shared pari-passu with respect to both the facilities of Axis Finance Limited in borrower i.e., the Company and its subsidiary companies, Eurasia Publishing House Private Limited, New Saraswati House (India) Private Limited and Vikas Publishing House Private Limited. Furthermore, on acquisition of balance shares of Chhaya Prakashani Private Limited, the balance shares is to be charged to Axis Finance Limited.

Moreover, the sanction letter also contains the mandatory prepayment terms as follows:
- Any change in ownership structure and / or management control of borrower companies i.e., the Company and Eurasia Publishing House Private Limited and security providers i.e., New Saraswati House (India) Private Limited and Chhaya Prakashani Private Limited;
- Proceeds from any third party by way of further equity/debt infusion into borrower companies i.e., the Company and Eurasia Publishing House Private Limited;
- Rating downgrade
- Merger events
- Interest reset event, in case borrower is not agreeable with the revised interest rates.

As the Company is in process of Initial Public Offering (“IPO”) and has already filed Draft Red Herring Prospectus (“DRHP”) on December 16, 2016 with an objective to repay this debt, the Company has disclosed this borrowing as "short term" under current maturities of long term borrowings.

18) In Vikas Publishing House Private Limited, Term loan from Axis finance has been taken during the period , carries interest @11.25% . The loan is repayable in 14 quarterly instalments after moratorium of 18 months beginning from June' 2018 onwards. The loan is secured by pledge of 4,900 equity shares held by Vikas Publishing House Private Limited in New Saraswati House (India) Private Limited, corporate guarantee of the Holding company and PDCs for principal and interest amount.

19) In New Saraswati House (India) Private Limited, Term loan from Axis Finance Limited has been taken during the period and carries interest @ 11.25 % p.a. The loan has been taken for a period of 5 years and is repayable in 14 equal quarterly installments, beginning from June 2018. The loan has been secured against publishing license and brand of New Saraswati House (India) Private Limited, corporate guarantee of the Holding Company and PDCs for principal and interest amount.

20) In Eurasia Publishing House Private Limited, Term loan from Axis Finance Limited taken during the current period, carries interest @ 11.25%. The facility has been taken for a period five years and is repayable in 14 equal quarterly installments of Rs 40,714,285 beginning from June' 2018 onwards. The loan is secured by (i) exclusive charge on all present and future current assets and all present fixed assets of the Eurasia Publishing House Private Limited, (ii) pledge on 30.47% equity shares of the target company to be acquired by the Eurasia Publishing House Private Limited, (iii) corporate guarantee of the Holding company and (iv) PDSc for interest and principal amount.

Further, the securities provided by the Holding company are to be shared pari-passu with Axis Finance Limited in respect of above facility which is (i) second pari passu charge on both present and future current and fixed assets of the Company, (ii) pledge on entire stake to be purchased by the Holding Company i.e., 43.54% of Chhaya Prakashani Private Limited, (iii) pledge on 76.10% equity shares of New Saraswati House (India) Private Limited, (iv) pledge on 100% equity shares of Eurasia Publishing House Private Limited held by the Holding Company, and (v) PDCs for the interest and principal amount. Furthermore, on acquisition of balance shares of Chhaya Prakashani Private Limited, the balance shares is to be charged to Axis Finance Limited by the Holding Company.

Moreover, the sanction letter also contains mandatory prepayment terms as follows:
- Any change in ownership structure and / or management control of borrower companies i.e., the Company and S Chand and Company Limited and security providers i.e., New Saraswati House (India) Private Limited and Chhaya Prakashani Private Limited;
- Proceeds from any third party by way of further equity/debt infusion into borrower companies i.e., the Company and S Chand and Company Limited;
- Rating downgrade
- Merger events
- Interest reset event, in case borrower is not agreeable with the revised interest rates.

As the Holding Company is in process of Initial Public Offering (“IPO”) and has already filed Draft Red Herring Prospectus (“DRHP”) on December 16, 2016 with an objective to repay this debt, the Eurasia Publishing House Private Limited has disclosed this borrowing as "short term" under current maturities

21) In case of the Holding Company, term loan from Ratnakar Bank has been taken during the financial year 2014-15 and carries interest @ 12.50% per annum. The loan is repayable in 12 equal quarterly installments of Rs 8,333,333 beginning from July 2014 onwards. The loan is secured by:
(i) first pari passu charge by way hypothecation of the entire current assets, both present and future,
(ii) first pari passu charge by way hypothecation of the entire movable fixed assets except which exclusively charge to other lenders,
(iii) pledge of 35% of equity shares held in DS Digital Private Limited (formerly known as S Chand Harcourt Private Limited).
Further the loan has been guaranteed by joint and several personal guarantee of Directors - Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala. The entire loan has been repaid during the financial year 2015-16.

22) In case of Rajendra Ravindra Printers Private Limited (merged with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014), term loan from IndusInd Bank has been taken during the financial year 2014-15 and carries interest rate of 12.25% per annum. The loan is repayable in 18 equal quarterly installments after moratorium of six months along with interest from the date of the loan. The loan is secured by way of exclusive charge over the machinery purchased by the Company from the proceeds of the term loan. Further the loan has been guaranteed by the personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala - directors of the Company and corporate guarantee of S Chand and Company Private Limited.

23) In case of Vikas Publishing House Private Limited, term loan from IndusInd Bank has been taken during the period nine months ended December 31, 2016 which carries interest rate of 11.85% per annum. The loan is repayable in 18 equal quarterly installments after moratorium of six months along with interest from the date of the loan. The loan is secured by way of exclusive charge over the machinery purchased by the Company from the proceeds of the term loan. Further the loan has been guaranteed by the personal guarantees of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala - directors of the Company and corporate guarantee of S Chand and Company Private Limited.

24) In case of Vikas Publishing House Private Limited, Term loan from Karnataka Bank Limited carries interest at base rate plus 1% per annum. It is repayable in 84 equal monthly installments of Rs 268,000 each along with interest, starting from February 2010. It is secured by equitable mortgage on commercial property situated at E-28, Sector - 8, Noida and hypothecation of furniture and fixtures and collateral of leasehold industrial plot and building situated at 20/4, Sahibabad Site IV, Industrial Area, Ghaziabad and Commercial property in basement floor bearing premises No. 16 , Old No. 1324, 18/3 , 4th Main, 4th Cross, Ward 27, Gandhinagar , Bangalore and Plant and Machinery and also secured by personal guarantee of directors. This loan has been repaid in full in the financial year 2015-16.

25) In case of Vikas Publishing House Private Limited, Term loan from State Bank of India has been obtained in the financial year 2013-14 carries interest at Base rate plus 2.15% per annum. It is repayable in 20 equal quarterly installments of Rs 60,00,000 each along with interest on monthly basis, starting from April 2015 and ending on January 01, 2020 with a moratorium period of 16 months. It is secured by :
(i) first pari passu hypothecation/ equitable mortgage charge on all the fixed assets (plant and machinery, land and building), both present and future, owned by Vikas Publishing House Private Limited
(ii) pari passu equitable mortgage charge on three storey commercial building with basement situated at Plot no. E-28, Sector -8, District Gautam Buddh Nagar, Noida
(iii) pari passu equitable mortgage charge on Building situated at Industrial Plot no. 20/4, Industrial Area, Sahibabad District, Ghaziabad
(iv) pari passu equitable mortgage charge on Commercial property in basement floor bearing premises No. 16 , Old No. 1324, 18/3 , 4th Main, 4th Cross, Ward 27, Gandhinagar , Bangalore
The loan is also secured by personal guarantee of Mr. Himanshu Gupta, Mr. Dinesh Kumar Jhunjhnuwala and corporate guarantee of the Holding Company.

26) In case of Vikas Publishing House Private Limited, Term loan from State Bank of India has been obtained in financial year 2014-15 and carries interest at Base rate plus 2.25% per annum. It is repayable in 20 equal quarterly installments of Rs. 25,00,000 each, starting from April 01, 2015 and ending on January 01, 2020 with a moratorium period of 6 months. It is secured by :
(i) first pari passu hypothecation/ equitable mortgage charge on all the fixed assets (plant and machinery, land and building), both present and future, owned by Vikas Publishing House Private Limited
(ii) pari passu equitable mortgage charge on three storey commercial building with basement situated at Plot no. E-28, Sector -8, District Gautam Buddh Nagar, Noida
(iii) pari passu equitable mortgage charge on Building situated at Industrial Plot no. 20/4, Industrial Area, Sahibabad District, Ghaziabad
(iv) pari passu equitable mortgage charge on Commercial property in basement floor bearing premises No. 16 , Old No. 1324, 18/3 , 4th Cross, Ward 27, Gandhinagar , Bangalore
The loan is also secured by personal guarantee of Mr. Himanshu Gupta, Mr. Dinesh Kumar Jhunjhnuwala and corporate guarantee of the Holding Company.

27) In case of Vikas Publishing House Private Limited, Term loan from Yes Bank carries interest at base rate linked Rate 13.25% per annum. The loan is repayable in 11 equal quarterly installments of Rs 2,545,455 each along with interest on monthly basis, starting from November 2013. It is secured by:

(i) first pari passu charge on commercial property situated at Plot no. E-28, Sector -8, District Gautam Buddh Nagar, Noida
(ii) first pari passu charge on Building situated at Industrial Plot no. 20/4, Industrial Area, Sahibabad District, Ghaziabad
(iii) first pari passu charge on Commercial property in basement floor bearing premises No. 16 , Old No. 1324, 18/3 , 4th Cross, Ward 27, Gandhinagar , Bangalore and Plant and Machinery.
(ii) first pari passu charge on all the current assets and movable fixed assets (both present and future)
The loan is also secured by unconditional irrevocable personal guarantee of Mr. Himanshu Gupta, Mr. Dinesh Kumar Jhunjhnuwala and corporate guarantee of the Holding Company.

28) Key terms and breakdown of Working Capital term loans are as follows:

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. Working Capital Term loan from others:												
Working Capital Term loan 1 from L&T Finance Limited (Refer Note 29 below)	-	-	-	-	-	1.26	1.26	3.47	4.73	3.04	-	-
Working Capital Term loan 2 from L&T Finance Limited (Refer Note 29 below)	-	-	-	-	-	-	-	5.01	5.01	5.34	-	-
Working Capital Term loan 3 from L&T Finance Limited (Refer Note 29 below)	-	-	-	-	-	-	-	2.58	2.58	2.75	-	-
Total (a)	**-**	**-**	**-**	**-**	**-**	**1.26**	**1.26**	**11.06**	**12.32**	**11.13**	**-**	**-**
b. Working Capital Term loan from banks:												
Working Capital Term loan 1 from Yes Bank (Refer Note 30 below)	-	-	-	-	-	-	-	6.67	6.67	26.67	33.33	26.67
Total (b)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.67**	**6.67**	**26.67**	**33.33**	**26.67**
Total (a+b)	**-**	**-**	**-**	**-**	**-**	**1.26**	**1.26**	**17.73**	**18.99**	**37.80**	**33.33**	**26.67**

29) In case of Rajendra Ravindra Printers Private Limited (merged with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014), Working capital loan from L & T Finance Limited was taken during the financial year 2011-12 and carries interest @ 13.00 % to 13.50% per annum. The loan is repayable in 48 equal monthly instalments along with interest from the date of loan. The loan is secured by hypothecation of all moveable assets both present and future on which the lender has the first charge. Further, the loan has been guaranteed by the personal guarantee of directors and Corporate guarantee of the Holding Company.

30) In case of the Holding Company, Working capital term loan from Yes Bank Limited has been taken during the financial year 2011-12 and carries interest @ 13.50 %. The loan is repayable in 36 equal monthly instalments of Rs. 2,222,222 each beginning from July 2011. The loan is secured by way of:
(i) exclusive charge on immovable property of M/s Hotel Tourist,
(ii) second pari passu charges on all the current assets and movable fixed assets,
(iii) personal guarantee of the Directors - Mr. Dinesh Kumar Jhunjhnuwala and Mr. Himanshu Gupta.

31) In case of Rajendra Ravindra Printers Private Limited (merged with Vikas Publishing House Private Limited w.e.f. appointed date April 01, 2014), Buyer's credit has been taken during the financial year 2014-15 from IndusInd bank for 3 different transactions, and carries the interest rate ranging from 10.20% per annum to 10.40% per annum. and the buyer's credit are repayable in the 2017, the maximum date for redemption being 13th July 2017. The interest rate includes the cost of hedging the buyer's credit from IndusInd bank. The loan is secured by way of exclusive charge over the machinery purchased by the Company from the proceeds of buyer's credit. Further, the buyer's credit has been guaranteed by the personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala and corporate guarantee of the Holding Company.

32) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), finance lease obligations are from IBM India Private Limited in a joint arrangement with the Holding Company as co - lessee during the financial year 2012-13 under a finance lease of the computers

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33) Key terms and breakdown of the Vehicle Loans are as follows:

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Vehicle loans from bank												
Vehicle Loan 1 from Vijaya Bank	-	-	-	-	-	-	-	0.18	0.21	0.23	0.44	0.23
Vehicle Loan 2 from Vijaya Bank	0.67	1.05	1.48	0.98	2.45	0.88	3.33	0.79	-	-	-	-
Vehicle Loan 3 from Vijaya Bank	-	-	-	-	0.25	0.20	0.42	0.18	-	-	-	-
Vehicle Loan 4 from Vijaya Bank	-	0.12	-	0.65	0.63	0.62	1.26	0.56	-	-	-	-
Vehicle Loan 5 from Kotak Mahindra Bank	-	-	-	-	-	-	-	0.12	0.12	0.27	0.39	0.24
Vehicle Loan 6 from Kotak Mahindra Bank	-	-	-	-	-	-	-	-	-	0.11	0.11	0.21
Vehicle Loan 7 from Kotak Mahindra Bank	-	-	-	-	-	-	-	-	-	0.07	0.07	0.26
Vehicle Loan 8 from Kotak Mahindra Bank	-	-	-	-	-	-	-	-	-	-	-	0.20
Vehicle Loan 9 from HDFC Bank	-	-	-	-	-	-	-	0.84	0.84	1.31	2.14	1.16
Vehicle Loan 10 from HDFC Bank	-	-	-	-	-	0.06	0.06	0.73	0.79	0.66	1.45	0.55
Vehicle Loan 11 from HDFC Bank	-	-	-	-	-	0.13	0.13	1.46	1.58	1.32	-	-
Vehicle Loan 12 from HDFC Bank	-	-	-	-	-	0.73	0.73	0.73	1.47	0.66	-	-
Vehicle Loan 13 from HDFC Bank	-	-	-	-	-	-	-	-	-	-	-	0.18
Vehicle Loan 14 from HDFC Bank	-	-	-	-	-	-	-	-	-	-	-	0.14
Vehicle Loan 15 from HDFC Bank	-	-	0.58	0.16	0.74	0.15	-	-	-	-	-	-
Vehicle Loan 16 from HDFC Bank	0.48	0.20	0.63	0.20	0.82	0.15	-	-	-	-	-	-
Vehicle Loan 17 from HDFC Bank	0.32	0.13	0.42	0.12	0.55	0.10	-	-	-	-	-	-
Vehicle Loan 18 from HDFC Bank	0.21	0.10	0.28	0.09	0.37	0.08	-	-	-	-	-	-
Vehicle Loan 19 from HDFC Bank	0.25	0.12	0.34	0.11	0.45	0.10	-	-	-	-	-	-
Vehicle Loan 20 from HDFC Bank	0.91	0.37	1.19	0.35	1.57	0.28	-	-	-	-	-	-
Vehicle Loan 21 from HDFC Bank	0.30	0.12	0.39	0.11	0.50	0.09	-	-	-	-	-	-
Vehicle Loan 22 from HDFC Bank	0.10	0.04	0.13	0.04	0.17	0.03	-	-	-	-	-	-
Vehicle Loan 23 from HDFC Bank	0.32	0.13	0.42	0.12	0.55	0.10	-	-	-	-	-	-
Vehicle Loan 24 from HDFC Bank	0.33	0.13	0.43	0.12	0.56	0.10	-	-	-	-	-	-
Vehicle Loan 25 from HDFC Bank	0.30	0.12	0.39	0.11	0.50	0.09	-	-	-	-	-	-
Vehicle Loan 26 from HDFC Bank	0.30	0.12	0.39	0.11	0.50	0.09	-	-	-	-	-	-
Vehicle Loan 27 from HDFC Bank	0.28	0.11	0.37	0.10	0.48	0.09	-	-	-	-	-	-
Vehicle Loan 28 from HDFC Bank	0.39	0.19	0.54	0.18	0.72	0.16	-	-	-	-	-	-
Vehicle Loan 29 from HDFC Bank	0.22	0.11	0.30	0.10	0.40	0.09	-	-	-	-	-	-
Vehicle Loan 30 from HDFC Bank	-	-	-	-	0.38	0.08	-	-	-	-	-	-
Vehicle Loan 31 from HDFC Bank	0.21	0.10	0.28	0.09	0.38	0.08	-	-	-	-	-	-
Vehicle Loan 32 from HDFC Bank	0.21	0.10	0.28	0.09	0.38	0.08	-	-	-	-	-	-
Vehicle Loan 33 from HDFC Bank	-	-	0.30	0.10	0.40	0.09	-	-	-	-	-	-
Vehicle Loan 34 from HDFC Bank	-	0.16	0.06	0.36	0.43	0.33	-	-	-	-	-	-
Vehicle Loan 35 from HDFC Bank	0.41	0.20	0.56	0.19	0.75	0.17	-	-	-	-	-	-
Vehicle Loan 36 from HDFC Bank	0.32	0.13	0.40	0.12	0.55	0.10	-	-	-	-	-	-
Vehicle Loan 37 from HDFC Bank	0.84	0.20	-	-	-	-	-	-	-	-	-	-
Vehicle Loan 38 from HDFC Bank	0.41	0.56	0.83	0.52	1.36	0.48	1.83	0.43	-	-	-	-
Vehicle Loan 39 from HDFC Bank	-	-	-	2.43	2.43	2.19	6.60	-	-	-	-	-
Vehicle Loan 40 from HDFC Bank	-	-	-	0.19	0.19	0.35	0.54	0.31	-	-	-	-
Vehicle Loan 41 from HDFC Bank	1.25	0.29	-	-	-	-	-	-	-	-	-	-
Vehicle Loan 42 from HDFC Bank	1.43	0.35	-	-	-	-	-	-	-	-	-	-
Vehicle Loan 43 from ICICI Bank	-	-	-	-	-	-	-	-	-	-	3.53	1.36
Vehicle Loan 44 from ICICI Bank	-	-	-	-	-	0.43	0.43	1.26	1.69	1.13	-	-
Vehicle Loan 45 from ICICI Bank	-	-	-	-	-	0.19	0.19	0.55	0.74	0.50	-	-
Vehicle Loan 46 from ICICI Bank	-	-	-	-	-	1.39	1.39	1.72	3.12	1.56	-	-
Vehicle Loan 47 from ICICI Bank	0.43	0.13	0.54	0.12	-	-	-	-	-	-	-	-
Vehicle Loan 48 from ICICI Bank	0.43	0.13	0.54	0.12	-	-	-	-	-	-	-	-
Vehicle Loan 49 from ICICI Bank	-	-	-	-	-	-	-	-	-	-	-	0.04
Vehicle Loan 50 from ICICI Bank	-	-	-	-	-	-	-	-	-	0.03	-	-
Vehicle Loan 51 from ICICI Bank	-	-	-	-	-	-	-	-	-	0.37	-	-
Vehicle Loan 52 from ICICI Bank	-	0.11	-	-	-	-	-	-	-	-	-	-
Total (A)	**11.31**	**5.64**	**12.07**	**7.98**	**19.46**	**10.29**	**16.91**	**9.86**	**10.56**	**8.22**	**8.13**	**4.57**
Vehicle loans from others												
Vehicle Loan 1 from Tata Capital Limited	-	-	-	-	-	-	-	0.28	0.28	0.45	0.73	0.40
Vehicle Loan 2 from Tata Capital Limited	-	-	-	-	0.06	0.14	0.21	0.13	0.33	0.11	0.48	0.06
Vehicle Loan 3 from Tata Capital Limited	-	-	-	-	-	0.22	0.22	0.49	0.71	0.44	-	-
Vehicle Loan 4 from Tata Capital Limited	-	-	-	-	-	-	-	-	-	-	-	0.64
Vehicle Loan 5 from BMW India Financial Services	-	-	-	-	-	-	-	-	-	1.39	1.39	2.22
Vehicle Loan 6 from Volkswagen Finance Private Limited	-	-	-	-	-	-	-	0.68	0.68	1.10	1.78	1.00
Vehicle Loan 7 from Volkswagen Finance Private Limited	-	-	-	-	-	-	-	0.17	0.17	1.03	1.20	0.92
Vehicle Loan 8 from Volkswagen Finance Private Limited	-	-	-	-	0.11	0.26	0.39	0.23	-	-	-	-
Vehicle Loan 9 from Kotak Mahindra Prime Limited	-	-	-	-	0.12	0.26	0.37	0.23	0.61	0.20	0.80	0.18
Vehicle Loan 10 from Daimler Financial Services India Private Limited	2.05	1.28	-	-	-	-	-	-	-	-	-	-
Vehicle Loan 11 from Daimler Financial Services India Private Limited	1.80	1.29	-	-	-	-	-	-	-	-	-	-
Total (B)	**3.85**	**2.57**	**-**	**-**	**0.29**	**0.88**	**1.19**	**2.21**	**2.78**	**4.72**	**6.38**	**5.42**
Total (A) + (B)	**15.16**	**8.21**	**12.07**	**7.98**	**19.75**	**11.17**	**18.10**	**12.07**	**13.34**	**12.93**	**14.51**	**9.99**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure IX - Restated consolidated statement of long term borrowings

Description for vehicle loans from banks:

Vehicle loan 1 from Vijaya Bank having interest rate of 11.80% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from August 2013 and is secured against hypothecation of vehicles.
Vehicle loan 2 from Vijaya Bank having interest rate of 10.75% per annum is repayable in 60 monthly installments of Rs. 0.10 million each beginning from July 2013 and is secured against hypothecation of vehicles.
Vehicle loan 3 from Vijaya Bank having interest rate of 11% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from April, 2014 and is secured against hypothecation of vehicles.
Vehicle loan 4 from Vijaya Bank having interest rate of 10.60% per annum is repayable in 36 monthly installments of Rs. 0.06 million each beginning from March, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 5 from Kotak Mahindra Bank carries interest rate of 12.70% per annum is repayable in 36 monthly installments of Rs. 0.03 million each beginning from August, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 6 from Kotak Mahindra Bank carries interest rate of 9.65% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from April, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 7 from Kotak Mahindra Bank carries interest rate of 10.23% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from May, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 8 from Kotak Mahindra Bank carries interest rate of 10.65% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from Feb, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 9 from HDFC Bank carries interest rate of 11.76% per annum is repayable in 36 monthly installments of Rs. 0.12 million each beginning from November, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 10 from HDFC Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.06 million each beginning from May, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 11 from HDFC Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.13 million each beginning from May 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 12 from HDFC Bank carries interest rate of 9.58% per annum repayable in 36 monthly installments of Rs. 0.07 million each beginning from March, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 13 from HDFC Bank carries interest rate of 11% per annum is repayable in 36 monthly installments of Rs. 0.03 million each beginning from October, 2009 and is secured against hypothecation of vehicles.
Vehicle Loan 14 from HDFC Bank carries interest rate of 11% per annum is repayable in 36 monthly installments of Rs. 0.05 million each beginning from September, 2009 and is secured against hypothecation of vehicles.
Vehicle Loan 15 from HDFC Bank carries interest rate of 10.25% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from March, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 16 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 17 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 18 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Nov, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 19 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Nov, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 20 from HDFC Bank carries interest rate of 10.25% per annum is repayable in 60 monthly installments of Rs. 0.04 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 21 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 22 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.00 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 23 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 24 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 25 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 26 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 27 from HDFC Bank carries interest rate of 11% per annum repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 28 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 29 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 30 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 31 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 32 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 33 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 34 from HDFC Bank carries interest rate of 10.77% per annum is repayable in 60 monthly installments of Rs. 0.03 million each beginning from June, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 35 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from Oct, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 36 from HDFC Bank carries interest rate of 11% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Feb, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 37 from HDFC Bank carries interest rate of 9.65% per annum is repayable in 60 monthly installments of Rs. 0.02 million each beginning from June, 2016 and is secured against hypothecation of vehicles.
Vehicle Loan 38 from HDFC Bank carries interest rate of 9.7% per annum is repayable in 60 monthly installments of Rs. 0.05 million each beginning from Sept, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 39 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 36 monthly installments of Rs. 0.21 million each beginning from April, 2014 and is secured against hypothecation of vehicles.
Vehicle Loan 40 from HDFC Bank carries interest rate of 10.50% per annum is repayable in 36 monthly installments of Rs. 0.03 million each beginning from Oct, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 41 from HDFC Bank carries interest rate of 9.50% per annum is repayable in 60 monthly installments of Rs. 0.04 million each beginning from May, 2016 and is secured against hypothecation of vehicles.
Vehicle Loan 42 from HDFC Bank carries interest rate of 9.36% per annum is repayable in 60 monthly installments of Rs. 0.04 million each beginning from May, 2016 and is secured against hypothecation of vehicles.
Vehicle Loan 43 from ICICI Bank carries interest rate of 9.11% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from November, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 44 from ICICI Bank carries interest rate of 10.95% per annum is repayable in 36 monthly installments of Rs. 0.12 million each beginning from Aug, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 45 from ICICI Bank carries interest rate of 10.95% per annum is repayable in 36 monthly installments of Rs. 0.05 million each beginning from Aug, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 46 from ICICI Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.16 million each beginning from Feb, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 47 from ICICI Bank carries interest rate of 10.50% per annum repayable in 60 monthly installments of Rs. 0.02 million each beginning from Sept, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 48 from ICICI Bank carries interest rate of 10.50% per annum repayable in 60 monthly installments of Rs. 0.02 million each beginning from Sept, 2015 and is secured against hypothecation of vehicles.
Vehicle Loan 49 from ICICI Bank carries interest rate of 10% per annum is repayable in 36 monthly installments of Rs. 0.03 million each beginning from June, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 50 from ICICI Bank carries interest rate ranging from 10.8% to 13.75% per annum repayable in 36 monthly installments of Rs. 0.03 million each beginning from April, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 51 from ICICI Bank carries interest rate of 10.8% per annum repayable in 36 monthly installments of Rs. 0.03 million each beginning from April, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 51 from ICICI Bank carries interest rate of 9.8% per annum to 14.99% per annum repayable in 36 monthly installments and is secured against hypothecation of vehicles.

Description for vehicle loans from others:

Vehicle Loan 1 from Tata Capital Limited carries interest rate of 11.50% per annum is repayable in 36 monthly installments of Rs. 0.04 million each beginning from October, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 2 from Tata Capital Limited carries interest rate of 12.20% per annum is repayable in 60 monthly installments of Rs. 0.01 million each beginning from Sept, 2011 and is secured against hypothecation of vehicles. The entire loan facility has been repaid during the financial year 2015-16.
Vehicle Loan 3 from Tata Capital Limited carries interest rate of 11.36% per annum is repayable in 36 monthly installments of Rs. 0.05 million each beginning from Sept, 2012 and is secured against hypothecation of vehicles.
Vehicle Loan 4 from Tata Capital Limited carries interest rate of 9.10% per annum is repayable in 36 monthly installments of Rs. 0.06 million each beginning from April, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 5 from BMW India Financial Services carries interest rate of 8.75% per annum is repayable in 35 monthly installments of Rs. 0.20 million each beginning from December, 2010 and is secured against hypothecation of vehicles.
Vehicle Loan 6 from Volkswagen Finance Private Limited carries interest rate of 10.00% per annum is repayable in 36 monthly installments of Rs. 0.10 million each beginning from November, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 7 from Volkswagen Finance Private Limited carries interest rate of 10.81% per annum is repayable in 36 monthly installments of Rs. 0.09 million each beginning from June, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 8 from Volkswagen Finance Private Limited carries interest rate of 10.82% per annum is repayable in 36 monthly installments of Rs. 0.02 million each beginning from Sep, 2013 and is secured against hypothecation of vehicles.
Vehicle Loan 9 from Kotak Mahindra Prime Limited carries interest rate of 12.07% per annum is repayable in 59 monthly installments of Rs. 0.02 million each beginning from Sep, 2011 and is secured against hypothecation of vehicles.
Vehicle Loan 10 from Daimler Financial Services India Private Limited carries interest rate of 9.81% per annum is repayable in 36 monthly installments of Rs. 0.13 million each beginning from May, 2016 and is secured against hypothecation of vehicles.
Vehicle Loan 11 from Daimler Financial Services India Private Limited carries interest rate of 9.81% per annum is repayable in 36 monthly installments of Rs. 0.13 million each beginning from May, 2016 and is secured against hypothecation of vehicles.

34) In case of the Holding Company, 35 compulsory convertible debentures of Rs. 10 million each with 0% interest rate are convertible into equity shares at Rs. 350 million on or after March 31, 2014. These compulsory convertible debentures have been converted into 9,577 equity shares during the financial year 2013-14 as per share purchase agreement. The value determined for conversion is Rs. 36,545.89.

35) Details of Loans from related parties are as follows:

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. From Related parties												
Education Media and Publishing Group International (EMPGI)	-	-	-	-	-	-	-	-	32.17	-	30.01	-
Total (A)	-	-	-	-	-	-	-	-	**32.17**	-	**30.01**	-
b. From Directors												
Mrs. Nirmala Gupta (Refer Note 36 below)	-	-	21.06	-	21.06	-	21.06	-	26.56	-	-	-
Total (B)	-	-	**21.06**	-	**21.06**	-	**21.06**	-	**26.56**	-	-	-
Total (A+B)	-	-	**21.06**	-	**21.06**	-	**21.06**	-	**58.73**	-	**30.01**	-

36) In case of Arch Papier Mache Private Limited, an unsecured long term loan has been obtained from the director - Mrs. Nirmala Gupta repayable on the Company having sufficient cash reserves to repay.

37) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

38) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure X - Restated consolidated statement of net deferred tax assets/(liabilities)

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Deferred tax assets						
Impact of expenditure debited to statement of profit and loss in the current year but allowed tax purposes on payment basis in subsequent years	28.96	42.19	21.06	6.50	5.16	0.87
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3.37	1.64	1.34	-	4.75	4.75
Provision for diminution in value of investments	-	-	-	-	0.50	0.45
Provision for doubtful debts	39.37	19.75	10.08	10.12	8.63	1.03
Carried forward business loss	55.67	55.67	62.50	26.93	-	(1.94)
Unabsorbed depreciation	66.52	66.52	66.52	32.18	-	-
Business loss for the period (Refer note 5 below)	431.32	-	-	-	-	-
Others	0.95	1.30	0.93	1.01	65.43	53.66
Deferred tax assets (A)	**626.16**	**187.07**	**162.43**	**76.74**	**84.47**	**58.82**
Deferred tax liabilities						
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	62.98	62.95	55.59	20.96	35.23	21.18
Others	-	-	2.18	2.14	7.15	7.53
Deferred tax liabilities (B)	**62.98**	**62.95**	**57.77**	**23.10**	**42.38**	**28.71**
Net deferred tax asset / (liability) (A-B)	**563.18**	**123.52**	**104.06**	**53.64**	**42.09**	**30.11**

Notes:

1) In D S Digital Private Limited, no further deferred tax assets has been recognized during the nine months period ended December 31, 2016 and during the year ended March 31, 2016 and March 31, 2015 despite increase in revenue and earning of cash profit following principle of conservatism.
2) In case of DS Digital Private Limited, deferred tax asset is recognised as at March 31, 2014 considering the continuous increase in revenue and economy in cost and likelihood of trend to be accelerated in future years considering the strategic alliance contemplated by the Management. Management has not reversed this amount on account of virtual certainty of recovery of deferred tax assets to this extent.
3) Deferred tax assets as at March 31, 2015 includes Rs. 50.32 million recognised on account of conversion of joint venture into subsidiary and Rs. 4.14 million recognised on acquisition of subsidiary. Deferred tax assets as at March 31, 2013 includes Rs. 2.84 million recognised on acquisition of subsidiary and change in shareholding of joint venture.
4) Deferred tax assets as at December 31, 2016 includes Rs. 1.75 million recognised on account of acquisition of subsidiary.
5) The Group has recognized deferred tax assets on interim losses for the nine months period ended December 31, 2016. Considering seasonality of business, ongoing production process and higher sales in the month of December along with pending sales order to be executed in coming months and profitable historical trend for full year operation, the Management is virtually certain of availability of future taxable income at the end of the accounting year against which deferred tax assets will be realized.
6) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
7) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XI - Restated consolidated statement of trade payables

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Trade payables												
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 5 in Annexure XXXVI for details of dues to micro and small	-	56.13	-	23.70	-	-	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	12.95	1,340.15	9.39	1,484.88	2.25	1,355.78	-	989.87	-	654.33	-	298.98
- Trade payables to related entities	-	4.50	-	2.06	-	2.09	-	1.71	-	14.43	-	340.45
Total	**12.95**	**1,400.78**	**9.39**	**1,510.64**	**2.25**	**1,357.87**	**-**	**991.58**	**-**	**668.76**	**-**	**639.43**

Notes:

1) **Following are the amounts due from related parties:**

(Amount in Rupees million)

Particulars	Relationship	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
		Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	Joint venture	-	-	-	-	-	-	-	0.52	-	-	-	-
Blackie & Son (Calcutta) Private Limited	Associate	-	-	-	-	-	-	-	-	-	-	-	4.79
Eurasia Publishing House Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	104.07
Hotel Tourist (Partnership Firm)	Enterprises over which KMP exercise significant influence	-	0.58	-	0.51	-	0.53	-	1.16	-	0.52	-	0.26
Rajendra Ravindra Printers Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	136.22
RKG Hospitalities Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	9.66	-	11.30
JSR Marketing Private Limited (formerly known as S Chand Technologies Private	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	0.33
SC Hotel Tourist Deluxe Private Limited	Enterprises over which KMP exercise significant influence	-	0.40	-	0.12	-	0.59	-	0.03	-	0.36	-	0.49
SHAARA Hospitalities Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
S Chand Properties Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	12.97
	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	3.85	-	-
S Chand and Company (Partnership Firm)	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	70.00
Shyam Lal Charitable Trust	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	-	-	-	-	0.02
Shyam Lal Nursing Home & Research Centre Private Limited	Enterprises over which KMP exercise significant influence	-	0.09	-	0.10	-	0.04	-	-	-	-	-	-
Edutor Technologies India Private Limited	Associate	-	1.76	-	0.10	-	0.93	-	-	-	-	-	-
Ventureskies, FZE	Investing party in subsidiary company		1.47		1.23								
Mrs. Neerja Jhunjhnuwala	KMP	-	-	-	-	-	-	-	-	-	0.04	-	-
Smartivity Labs Private Limited	Enterprises over which KMP exercise significant influence	-	0.20	-	-	-	-	-	-	-	-	-	-
		-	**4.50**	**-**	**2.06**	**-**	**2.09**	**-**	**1.71**	**-**	**14.43**	**-**	**340.45**

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XII - Restated consolidated statement of other liabilities

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Current maturities of long term borrowings (Refer Annexure IX)	-	1,751.40	-	98.19	-	274.03	-	65.06	-	62.18	-	36.66
Interest accrued but not due on borrowings	-	7.47	-	8.86	-	7.31	-	1.54	-	3.66	-	1.51
Interest accrued and due on borrowings	-	0.68	-	1.41	-	0.56	-	-	-	-	-	-
Interest accrued and due on debentures	-	-										
Creditors for capital expenditure		13.58	-		-	-	-	-	-	-	-	-
Interest on outstanding dues of micro enterprises and small enterprises	-	0.01	-	0.01	-	-	-	-	-	-	-	-
Security deposits/ earnest money received	-	12.32	0.66	0.62	0.66	0.62	0.66	0.42	0.66	0.42	-	0.75
Technical know how and copyrights fees payable	-	2.19	-	1.84	1.84	-	1.84	-	1.84	-	1.84	-
Unearned revenue	-	5.15	-	11.12	-	12.12	-	-	-	-	-	-
Advances from customers	-	172.06	-	25.84	-	24.19	-	24.44	-	20.65	-	2.61
Advance against asset held for sale	-	4.50	-	-	-	-	-	-	-	-	-	-
Statutory dues payable	-	30.01	-	84.22	-	87.56	-	57.30	-	48.32	-	26.51
Book overdraft	-	0.40	-	-	-	2.49	-	-	-	2.09	-	3.29
Other payables	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**1,999.77**	**0.66**	**232.11**	**2.50**	**408.88**	**2.50**	**148.76**	**2.50**	**137.32**	**1.84**	**71.33**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIII - Restated consolidated statement of provisions

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Provision for employee benefits												
Provision for gratuity (Refer Note 4 Annexure XXXVI)	66.71	1.83	48.09	2.00	44.95	0.76	20.41	0.22	16.16	0.11	0.57	2.54
Provision for leave benefits	3.34	4.99	1.98	0.98	0.87	3.89	0.38	0.38	0.36	0.08	0.21	2.84
Others	-	-	-	-	-	-	-	-	-	-	-	12.38
									-	-		
Others									-	-		
Provision for sales return (Refer Note 1 below)	-	-	-	45.60	-	104.45	-	-	-	-	-	-
Provision for income tax (net of advance tax)	-	302.85	-	123.88	-	23.99	-	41.65	-	27.67	-	15.71
Proposed dividend	-	-	-	-	-	-	-	-	-	(0.00)	-	-
Dividend tax	-	-	-	-	-	-	-	-	-	0.00	-	-
Provision for wealth tax	-	-	-	-	-	0.00	-	0.74	-	0.54	-	0.13
Total	**70.05**	**309.67**	**50.07**	**172.46**	**45.82**	**133.09**	**20.79**	**42.99**	**16.52**	**28.40**	**0.78**	**33.60**

Notes:

1) Represents provision for probable sales returns from its customers against their entitlement per their respective contracts, to the extent goods not returned. The movement in respect of such provision for sales return is given below:

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
At the beginning of the period/year	-	45.60	-	104.45	-	-	-	-	-	-	-	-
Taken over on acquisition	-	-	-	-	-	28.55	-	-	-	-	-	-
Add: created during the period/year	-	(45.60)	-	45.60	-	104.45	-	-	-	-	-	-
Less: utilized during the period/year	-	-	-	(104.45)	-	(28.55)	-	-	-	-	-	-
At the end of the period/year	**-**	**-**	**-**	**45.60**	**-**	**104.45**	**-**	**-**	**-**	**-**	**-**	**-**

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIV - Restated consolidated statement of short term borrowings

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Secured						
Loans repayable on demand						
From Banks						
Working capital demand loan (Refer Note 1 below)	1,132.84	370.00	19.38	19.38	220.90	-
Cash credit (Refer Note 2 below)	653.86	841.83	834.23	539.88	279.76	267.50
Buyers credit (Refer Note 25 below)	-	11.10	10.76	11.56	-	-
Sales invoice discounting (Refer Note 17 below)	-	10.30	10.50	4.14	1.35	-
Short term loan (Refer Note 26 below)	-	-	75.00	75.00	75.00	75.00
Vehicle loan (Refer Note 28 below)	-	-	1.97	-	-	-
Total (A)	**1,786.70**	**1,233.23**	**951.84**	**649.96**	**577.01**	**342.50**
Unsecured						
Loans repayable on demand						
From Banks						
Cash credit from banks (Refer Note 3 below)	5.43	7.00	12.42	45.36	61.11	-
Others	-	-	-	-	-	3.49
Total (B)	**5.43**	**7.00**	**12.42**	**45.36**	**61.11**	**3.49**
Loans and advances from related parties						
From directors (Refer Note 30 below)	38.95	17.31	0.80	-	-	75.00
Total (C)	**38.95**	**17.31**	**0.80**	**-**	**-**	**75.00**
Total (A+B+C)	**1,831.08**	**1,257.54**	**965.06**	**695.32**	**638.12**	**420.99**

Notes:

1) Breakdown of the Working capital demand loan is as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Working Capital Demand Loan 1 from HDFC Bank (Refer Note 4	270.00	200.00	-	-	200.00	-
Working Capital Demand Loan 2 from HDFC Bank (Refer Note 5 below)	200.00	100.00	-	-	-	-
Working Capital Demand Loan 3 from Kotak Mahindra Bank (Refer Note 6 below)	100.00	20.00	-	-	-	-
Working Capital Demand Loan 4 from DBS Bank (Refer Note 7 below)	100.00	-	-	-	-	-
Working Capital Demand Loan 5 from DBS Bank (Refer Note 8 below)	60.00	-	-	-	-	-
Working Capital Demand Loan 6 from Standard Chartered Bank (Refer Note 9 below)	150.00	-	-	-	-	-
Working Capital Demand Loan 7 from Standard Chartered Bank (Refer Note 10 below)	110.00	50.00	-	-	-	-
Working Capital Demand Loan 8 from Yes Bank (Refer Note 11 below)	-	-	19.38	19.38	20.90	-
Working Capital Demand Loan 9 from HDFC Bank (Refer Note 13 below)	50.00	-	-	-	-	-
Working Capital Demand Loan 10 from HDFC Bank (Refer Note 15 below)	92.84	-	-	-	-	-
	1,132.84	**370.00**	**19.38**	**19.38**	**220.90**	**-**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIV - Restated consolidated statement of short term borrowings

2) Breakdown of the Cash Credit (Secured) is as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Cash Credit 1 from HDFC Bank (Refer Note 4 below)	-	-	177.63	225.87	14.99	228.76
Cash Credit 2 from HDFC Bank (Refer Note 5 below)	40.57	155.03	-	-	-	-
Cash Credit 3 from HDFC Bank (Refer Note 12 below)	-	-	20.91	-	-	-
Cash Credit 4 from HDFC Bank (Refer Note 13 below)	14.53	85.71	70.43	-	-	-
Cash Credit 5 from HDFC Bank (Refer Note 14 below)	-	-	10.16	-	-	-
Cash Credit 6 from HDFC Bank (Refer Note 15 below)	161.65	117.16	63.05	-	-	-
Cash Credit 7 from Kotak Mahindra Bank (Refer Note 6 below)	-	79.01	-	-	-	-
Cash Credit 8 from DBS Bank (Refer Note 7 below)	49.88	-	-	-	-	-
Cash Credit 9 from Standard Chartered Bank (Refer Note 9 below)	-	137.02	-	-	-	-
Cash Credit 10 from Standard Chartered Bank (Refer Note 10 below)	7.91	12.13	-	-	-	-
Cash Credit 11 from Standard Chartered Bank (Refer Note 16 below)	42.92	-				
Cash Credit 11 from Yes Bank (Refer Note 11 below)	-	-	10.35	10.21	-	-
Cash Credit 12 from Yes Bank (Refer Note 17 below)	-	15.36	5.95	3.16	4.84	-
Cash Credit 13 from Yes Bank (Refer Note 18 below)	39.34	49.69	45.60	16.94	-	-
Cash Credit 14 from State Bank of Patiala (Refer Note 19 below)	-	-	-	-	-	38.74
Cash Credit 15 from IndusInd Bank (Refer Note 20 below)	118.91	60.78	100.15	33.70	59.81	-
Cash Credit 16 from IndusInd Bank (Refer Note 21 below)	49.99	49.94	-	-	-	-
Cash Credit 17 from State Bank of India (Refer Note 22 below)	80.00	80.00	80.00	-	-	-
Cash Credit 18 from Karnataka Bank (Refer Note 23 below)	-	-	250.00	250.00	200.00	-
Cash Credit 19 from Corporation Bank (Refer Note 24 below)	-	-	-	-	0.12	-
Cash Credit 20 from DBS Bank (Refer Note 26 below)	48.16	-	-	-	-	-
	653.86	**841.83**	**834.23**	**539.88**	**279.76**	**267.50**

3) Breakdown of the Cash credit (Unsecured) is as follows:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Cash Credit 1 from State Bank of India (Refer Note 22 below)	5.43	7.00	0.34	-	-	-
Cash Credit 2 from Karnataka Bank (Refer Note 23 below)	-	-	12.08	45.36	61.11	-
	5.43	**7.00**	**12.42**	**45.36**	**61.11**	**-**

4) Working capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank Limited (under Multiple Banking Arrangement with IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank and DBS Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company and Corporate Guarantee of Nirja Publishers & Printers Private Limited. The working capital demand loan carries interest ranging from 9.75% per annum to 10.25% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 11.50% per annum to 12.00% per annum during the year ended March 31, 2016. Cash credit carries interest rate ranging from 11.25% per annum to 11.30% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 11.30% per annum to 12.00% per annum during the year ended March 31, 2016.

In case of the Holding Company, Woking capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank Limited (under Multiple Banking Arrangement with IndusInd Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company from June 05, 2013 and Corporate Guarantee of Nirja Publishers and Printers Private Limited The working capital demand loan carries interest rate ranging from 11.50% per annum to 12.00% per annum during the year ended March 31, 2015 and March 31, 2014 (March 31, 2013: 12% per annum to 12.30% p.a). Cash credit carries interest rate of 12% per annum to 13.75% per annum during the year ended March 31, 2015 (March 31, 2014: 13.35% per annum to 13.75% per annum, March 31, 2013 : 13.35% per annum to 13.75% per annum). The cash credit facility is repayable on demand and generally renewed on an annual basis.

In case of the Holding Company, Woking capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank (under Multi Banking Arrangement with State Bank of Patiala and Yes Bank Ltd), is secured by way of first charge on pari passu basis with State Bank of Patiala and Yes Bank Limited, on the entire existing and future current assets and movable fixed assets of the company except assets which are specifically charged to other lenders along with personal guarantee of Mr. Himanshu Gupta - director of the Company upto Feb 21, 2012 and personal guarantee of Mr. Himanshu Gupta, Mrs. Savita Gupta, Mrs. Neerja Jhunjhnuwala and Mrs. Nirmala Gupta - directors of the Company subsequent to Feb 21, 2012. Working capital demand loan carries interest rate of 13.25% during the year ended March 31, 2012. Cash credit carries interest rate ranging from of 12.45% per annum 13.75% per annum during the year ended March 31, 2012. The cash credit facility is repayable on demand and generally renewed on an annual basis.

5) In case of Vikas Publishing House Private Limited, Woking capital demand loan and cash credit facility on a fully interchangeable basis from HDFC Bank (under Multiple Banking Arrangement with State bank of India, DBS Bank, Standard Chartered Bank and Yes Bank) taken during the financial year 2015-16 is secured by way of hypothecation of stock-in-trade, book debts, immovable / movable properties, corporate guarantee of the Holding Company and personal guarantee of directors. The rate of interest for the said Woking capital demand loan to be stipulated by the bank at the time of disbursement of each tranche and ranges from 9.75% per annum to 10.25% per annum during the nine months period ended December 31, 2016. Cash credit carries interest rate at HDFC Bank Base rate plus 1.30% per annum plus interest rate tax as applicable and ranges from 10.20% per annum to 10.60% per annum during the nine months period ended December 31, 2016. The cash credit facility is repayable on demand and generally renewed on an annual basis.

6) In case of the Holding Company, Woking capital demand loan and cash credit facility on a fully interchangeable basis from Kotak Mahindra Bank (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Standard Chartered Bank and DBS Bank) taken during the financial year 2015-16 is secured by way of first pari passu hypothecation charge on all existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company. This loan carries interest rate ranging from 9.65% per annum to 10.25% per annum during the nine months period ended December 31, 2016, interest rate ranging from 10.25% per annum to 10.75% per annum during the year ended March 31, 2016. Cash credit carries interest @ 11.22% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 11.22% per annum to 11.30% per annum during the year ended March 31, 2016.

7) In case of the Holding Company, Working capital demand loan and cash credit facility on a fully interchangeable basis from DBS Bank Limited (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Standard Chartered Bank and Kotak Mahindra bank) taken during the nine months period ended December 31, 2016 is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (except for the assets specifically charged to other lenders) of the Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala - directors of the Company. This loan carries interest rate ranging from 9.25% per annum to 9.50% per annum during the nine months period ended December 31, 2016. Cash credit carries interest rate of 10.85% per annum during the nine months period ended December 31, 2016.

8) In case of Vikas Publishing House Private Limited, Woking capital demand loan from DBS Bank (under Multiple Banking Arrangement with State bank of India, HDFC Bank, Standard Chartered bank and Yes Bank) taken during the nine months period ended December 31, 2016 which carries an interest rate ranging from 9.25% per annum to 9.50% per annum is secured by way of hypothecation of stock-in-trade, book debts, immovable / movable properties, corporate guarantee of the Holding Company and personal guarantee of directors.

9) In case of the Holding Company, Woking capital demand loan and cash credit facility from Standard Chartered Bank (under Multiple Banking Arrangement with HDFC Bank, IndusInd Bank, Kotak Mahindra Bank and DBS Bank) taken during the financial year 2015-16 is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets (other than those exclusively charged to other lender, if any) of the Company and personal guarantee of the directors - Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala. This loan carries interest rate ranging from 10.25% per annum to 10.50% per annum during the year ended March 31, 2016 and from 9.25% per annum to 10.25% per annum during the nine months period ended December 31, 2016. Cash credit carries interest rate of 10.72% per annum during the year ended March 31, 2016.

10) In case of Vikas Publishing House Private Limited, Woking capital demand loan and cash credit facility on a fully interchangeable basis from Standard Chartered Bank (under Multiple Banking Arrangement with State bank of India, HDFC Bank, DBS Bank and Yes Bank)taken during the financial year 2015-16 is secured by hypothecation of stock-in-trade, book debts, immovable / movable properties, corporate guarantee of the Holding Company and personal guarantee of directors. This loan carries interest rate ranging from 10.25% per annum to 10.75% per annum during the year ended March 31, 2016 and interest rate ranging from 9.25% per annum to 10.25% per annum during the nine months period ended December 31, 2016. The Cash credit facility carries interest rate ranging from 11.22% per annum to 11.30% per annum during the year ended March 31, 2016 and interest rate of 10.75% per annum during the nine months period ended December 31, 2016.

11) In case of BPI (India) Private Limited, Working capital demand loan and cash credit facility from Yes Bank carry interest rate of Base Rate plus 2.25% per annum. Working capital demand loan and cash credit facility are secured by exclusive charge on all current assets and movable fixed assets of the Company (both present and future), exclusive charge on property of directors situated at DDA Flat No. D-7/7123, HIG First Floor, Vasant Kunj, New Delhi, and Corporate guarantee of the Holding Company and personal guarantee of all directors of the company. The cash credit facility is repayable on demand and generally renewed on an annual basis. This loan has been taken over by IndusInd bank on February 12, 2015.

12) In case of Rajendra Ravindra Printers Private Limited, Cash credit from HDFC Bank is secured as exclusive charge by over on current assets, fixed assets (except financed by other bank and financial institution), Corporate guarantee of the Holding Company, Personal Guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala. The interest to be charged is at the mutually agreed rates. The cash credit facility is repayable on demand and generally renewed on an annual basis. The facility ahs been repaid during the year ended March 31, 2016.

13) In case of Nirja Publishers and Printers Private Limited, Working Capital Demand Loan and Cash credit facility (on fully inter-changeable basis) is from HDFC Bank and is secured by the hypothecation of current assets (present and future), hypothecation of fixed assets (present and future, except financed by other bank and financial institutions), Corporate guarantee of the Holding Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala. The cash credit facility is repayable on demand and generally renewed on an annual basis. Working Capital Demand Loan facility carries interest @ 9.80% per annum during the nine months period ended December 31, 2016. Cash credit facility carries interest @ 11.30% per annum during the nine months period ended December 31, 2016, interest ranging from 11.30% per annum to 12% per annum during the year ended March 31, 2016 and interest @ 12% per annum during the year ended March 31, 2015.

14) In case of Eurasia Publishing House Private Limited, Cash credit from HDFC Bank has been taken during the financial year 2014-15 and is secured by hypothecation of current assets (present and future), fixed assets (present and future, except financed by other bank and financial institutions). Further the cash credit is secured by the Corporate guarantee of the Holding Company and personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala. The cash credit carries interest @ 12% per annum. The cash credit facility is repayable on demand and generally renewed on an annual basis. The facility ahs been repaid during the year ended March 31, 2016.

15) In case of New Saraswati House (India) Private Limited, Cash Credit from HDFC Bank (under Multiple Banking Arrangement with DBS Bank) taken during the financial year 2014-15 carries an interest @ 11.85% per annum during the nine months period ended December 31, 2016 and interest @ 12.5% per annum during the year ended March 31, 2016 and March 31, 2015. Further, the working capital demand loan released during the nine months period ended December 31, 2016 carries interest @ 9.90% per annum. The cash credit and working capital demand loan facility are secured by way of :
(i) charge on entire existing and future current assets,
(ii) exclusive charges over the entire existing and future fixed asset of the Company,
(iii) personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala,
(iv) personal guarantee of Mr. Atul Kumar Gupta and Mr. Ankur Gupta till the time entire shareholding is transferred to the Holding Company,
(v) Corporate Guarantee of the Holding Company.
The above facilities are repayable on demand and are renewed on an annual basis.

16) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), the Cash credit facility from Standard Chartered Bank has been obtained during the nine months period ended December 31, 2016 for meeting the working capital requirements, which carries an interest rate of Marginal cost of funds based lending rate plus applicable margin agreed with the bank at the time of drawdown from time to time. The cash credit facility is secured by an exclusive charge on the entire current assets and movable fixed assets (both present and future), except assets which are exclusively charged under equipment financing, personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala and Corporate guarantee of the Holding Company. The cash credit facility is repayable on demand and generally renewed on an annual basis.

17) In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), the Cash credit from Yes Bank has been taken for meeting the working capital requirements which carries an interest rate of Yes Bank Base Rate plus 1.50% per annum prevailing from time to time. And the sales invoice discounting represents the short term credit facilities availed in the form of discounting of sales invoices for meeting working capital requirements which carries an interest rate of Yes Bank Base Rate plus 1% per annum. Both these facilities are secured by an exclusive charge on all the current assets and movable fixed assets (present and future), first charge on the immovable property of Hotel Tourist, located at 7361, Near New Delhi Railway Station, Qutab Road, New Delhi valued at approx. Rs. 110 million, unconditional and irrevocable personal guarantee of Mr. Himanshu Gupta and Mr. Dinesh Jhunjhnuwala to remain valid during the tenor of facilities and unconditional and irrevocable Corporate guarantee of the Holding Company to remain valid during the tenor of facilities. Both the facilities are repayable on demand and generally renewed on an annual basis.

18) In case of Vikas Publishing House Private Limited, Cash credit facility from Yes bank (under Multiple Banking Arrangement with State bank of India, HDFC Bank, Standard Chartered Bank and DBS Bank) which carries interest at Base rate linked 10.50% per annum during the nine months period ended December 31, 2016 and interest @ 13.25% per annum during the year ended March 31, 2016 and is secured by hypothecation of stock-in-trade, book debts, immovable / movable properties, corporate guarantee of the Holding Company and personal guarantee of directors. The cash credit facility is repayable on demand and generally renewed on an annual basis.

19) In case of the Holding Company, Cash credit from State Bank of Patiala (under Multi Banking Arrangement with HDFC Bank), is secured by way of first charge on pari passu basis with HDFC Bank and Yes Bank Limited, on the entire current assets and movable fixed assets of the company except assets which are specifically charged to other lenders along with personal guarantee of Mr. Himanshu Gupta, Director of the Company and Corporate guarantee of Rajendra Ravindra Printers Private Limited. It carries interest rate of 15.25% p.a during the year ended March 31, 2012 and March 31, 2013.The cash credit facility is repayable on demand and generally renewed on an annual basis.

20) In case of the Holding Company, Cash credit from IndusInd Bank Ltd (under Multiple Banking Arrangement with HDFC Bank, Standard Chartered Bank, Kotak Mahindra Bank and DBS Bank) is secured by way of first pari passu charge on the entire existing and future current assets and movable fixed assets of the Company and personal guarantee of Mr. Himanshu Gupta - director of the Company. It carries interest @ 12.35% per annum during the nine months period ended December 31, 2016 and interest rate ranging from 12.35% per annum to 12.75% per annum during the year ended March 31, 2016, 11.75% per annum to 12.50% per annum during the year ended March 31, 2015 and March 31, 2014 (March 31, 2013 : 12.15% per annum to 12.75% per annum).

21) In case of BPI (India) Private Limited, Cash credit facility taken during the financial year 2015-16 from IndusInd Bank carry interest rate of Base Rate plus 2.25% per annum and is secured by exclusive charge on all current assets and movable fixed assets except vehicle specifically charged to other lender of the Company (both present and future), exclusive charge on property of directors situated at DDA Flat No. D-7/7123, HIG First Floor, Vasant Kunj, New Delhi, and Property of Vikas Publishing House Private Limited (Subsidiary of Group Co.) situated at 161718/1, Apartment No.4, 1st Floor, 4th Cross, Main Gandhi Nagar, Bangalore and corporate guarantee of Blackie and Son (Calcutta) Private Limited and the Holding Company and Personal Guarantee of the directors - Mr. Himanshu Gupta, Mr. Jai Saxena, Mrs Vidya Saxena and Mr. Dinesh Kumar Jhunjhnuwala.

22) In case of Vikas Publishing House Private Limited, Cash credit facility from State Bank of India (under Multiple Banking Arrangement with DBS Bank, HDFC Bank, Standard Chartered bank and Yes Bank) which carries interest rate at Base rate plus 2.15% is secured by hypothecation of stock-in-trade, book debts, immovable / movable properties, corporate guarantee of the Holding Company and personal guarantee of directors. The cash credit facility is repayable on demand and generally renewed on an annual basis. It carries interest @ 11.45% per annum during the nine months period ended December 31, 2016. Cash credit availed over and above the sanction limit has been considered as unsecured and carries same interest rate as secured facility and is repayable on demand.

23) In case of Vikas Publishing House Private Limited, Cash credit as at March 31, 2013 is from Karnataka Bank Limited which carries at Base rate plus 2% p.a, Such Cash credit facility is secured by hypothecation of stock-in-trade, book debts, immovable / movable properties and Personal Guarantee of directors of the company. The cash credit facility is repayable on demand and generally renewed on an annual basis.

24) In case of BPI (India) Private Limited, Cash credit from Corporation Bank carries interest rate of Base Rate plus 3.10% per annum secured by first charge on equitable mortgages of residential building situated at DDA Flat No. D-7/7123, HIG First Floor, Vasant Kunj, New Delhi, continuing security by way of EMG of the residential property bearing Plot no. 3, Sector 82, Noida owned by Mr. Jai Saxena and Mr. Ishwar Chandra Saxena and Personal Guarantee of Mr. Jai Saxena, Ms. Vidya Saxena, Mr Himanshu Gupta, Mr Dinesh Kumar Jhunjhnuwala - directors of the Company and Mr. Ishwar Chandra Saxena along with the corporate guarantee of Blackie & Sons (Calcutta) Private Limited. The cash credit facility is repayable on demand and generally renewed on an annual basis.

25) In case of Vikas Publishing House Private Limited, Buyers credit facility is secured by hypothecation of stock-in-trade, book debts, immovable / movable properties, Corporate Guarantee of the Holding Company and Personal guarantee of directors. The said facility is renewable at the end of three years.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIV - Restated consolidated statement of short term borrowings

26) Breakdown of the Short term loan is as follows:

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Short term loan 1 from Yes Bank (Refer Note 27 below)	-	-	75.00	75.00	75.00	75.00
Short term loan 2 from HDFC Bank (Refer Note 15 above)	-	-	-	-	-	-
Total	**-**	**-**	**75.00**	**75.00**	**75.00**	**75.00**

27) In case of the Holding Company, Short term loan from Yes Bank Limited is secured by way of exclusive charge on immovable property of M/s Hotel Tourist and second pari passu charges on all the current assets and movable fixed assets of the Holding Company and personal guarantee of Mrs. Nirmala Gupta and Mr. Himanshu Gupta - directors of the Holding Company. The loan carries interest rate of 12.5% during the year ended March 31, 2015 and March 31, 2014 (March 31, 2013 : 12% to 12.85%). The term of renewal varies from 90 to 180 days at the option of the borrower.

28) In case of New Saraswati House (India) Private Limited, Vehicle loan from HDFC bank taken during 2014-15 and is secured by way of hypothecation of respective vehicle in favour of the bank. It carries interest at the rate of 10.17% per annum The loan is repayable in 60 equal monthly installments of Rs. 42,520 each beginning from March 2015. However, the said vehicle got stolen in the same year and is untraceable. Subsequent to year end, the Company received the insurance claim for the said vehicle and is in the process of repayment of entire loan amount. Pending the same, adjustments w.r.t. discard of asset have been done in the financial statements.

29) In case of New Saraswati House (India) Private Limited, cash credit from DBS Bank (under Multiple Banking Arrangement with HDFC Bank) taken during the nine months period ended December 31, 2016 carries interest @ 9.5% p.a. and is repayable on demand. The loan is secured by way of (i) charge on entire existing and future current assets (ii) exclusive charges over the entire existing and future fixed asset of the Company (iii) personal guarantee of Dinesh Kumar Jhunjhnuwala and Himanshu Gupta (iv) Corporate Guarantee by the Holding Company.

30) Following are the amounts due to the directors :

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Mrs. Nirmala Gupta	-	4.30	0.80	-	-	10.00
Mrs. Savita Gupta	-	-	-	-	-	65.00
Mr. Jai Saxena	8.80	12.50	-	-	-	-
Mrs. Vidya Saxena	0.15	0.51	-	-	-	-
Mr. Sumit Biswas	30.00	-	-	-	-	-
Total	**38.95**	**17.31**	**0.80**	**-**	**-**	**75.00**

31) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

32) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVA - Restated consolidated statement of Property, Plant and Equipment

Gross Block **(Amount in Rupees million)**

Particulars	Land	Leasehold Land	Buildings	Buildings - Factory	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Electrical Installations	Others - Computer	Total
As at April 01, 2011	**620.51**	**-**	**343.65**	**-**	**206.85**	**21.22**	**111.59**	**64.34**	**-**	**-**	**49.03**	**1,417.19**
Additions	-	-	-	-	6.81	3.90	2.55	21.68	-	-	24.42	**59.36**
Addition on account of change of shareholding in Joint venture	-	-	-	-	0.02	0.02	0.07	0.03	-	-	0.44	**0.58**
Deletions	-	-	-	-	-	(0.00)	(0.05)	(7.51)	-	-	(0.14)	**(7.70)**
Adjustments on demerger	(288.41)	-	(339.60)	-	(92.35)	-	(74.76)	(0.81)	-	-	(4.27)	**(800.22)**
Deletions on account of sale of subsidiary/ restructuring	(332.10)	-	(3.62)	-	-	(1.62)	(0.80)	(3.86)	-	-	-	**(342.00)**
As at March 31, 2012	**(0.00)**	**-**	**0.43**	**-**	**121.33**	**23.52**	**38.60**	**73.87**	**-**	**-**	**69.48**	**327.21**
Additions	-	8.61	31.58	-	46.02	3.40	3.22	25.24	2.06		23.69	**143.80**
Adjustments (Refer Note 3 below)	28.86		(28.86)	-	-	-	-	-	-	-	-	**-**
Additions on account of change of shareholding in Joint venture	-	-	0.00	-	0.01	0.00	0.01	0.00	-	-	0.15	**0.19**
Additions on account of acquisition	13.31	66.31	27.29	-	147.40	14.24	13.70	15.64	-	-	16.63	**314.51**
Deletions	(1.07)	-	-	-	(14.30)	-	-	(20.20)	-		(3.42)	**(38.99)**
As at March 31, 2013	**41.10**	**74.92**	**30.44**	**-**	**300.46**	**41.16**	**55.53**	**94.55**	**2.06**	**-**	**106.53**	**746.72**
Additions	-	-	-	35.89	95.06	12.40	14.86	38.12	1.02	8.95	70.15	**276.45**
Additions on account of change of shareholding in Joint venture	-	-	(0.00)	-	(0.47)	1.18	-		-	-	(0.76)	**(0.06)**
Deletions	-	-	(7.76)	-	(2.02)	(0.23)	(0.26)	(7.02)	-	-	(0.26)	**(17.55)**
As at March 31, 2014	**41.10**	**74.92**	**22.68**	**35.89**	**393.03**	**54.51**	**70.13**	**125.65**	**3.08**	**8.95**	**175.68**	**1,005.66**
Additions	-	-	-	181.32	253.90	35.85	31.27	25.71	20.22	14.12	77.61	**640.02**
Assets acquired on acquisition	-	-	-	-	-	-	-	2.49	-	-	1.67	**4.16**
Additions on account of conversion of Joint Venture into Subsidiary	-	-	-	-	0.65	0.84	3.32	0.98	-	-	57.23	**63.03**
Deletions	-	-	-	-	(67.55)	-	-	(9.91)	-	-	(0.03)	**(77.49)**
As at March 31, 2015	**41.10**	**74.92**	**22.68**	**217.21**	**580.03**	**91.20**	**104.72**	**144.92**	**23.30**	**23.07**	**312.16**	**1,635.38**
Additions	-	-	-	2.15	53.84	18.36	14.62	5.60	6.82	-	28.38	**129.77**
Deletions	-	-	-	-	(28.63)	(2.74)	(9.50)	(23.01)	-	-	(8.29)	**(72.16)**
As at March 31, 2016	**41.10**	**74.92**	**22.68**	**219.36**	**605.24**	**106.82**	**109.84**	**127.51**	**30.12**	**23.07**	**332.25**	**1,692.99**
Additions					91.37	7.65	3.92	29.20	0.41	-	8.60	**141.15**
Assets acquired on acquisition of Chhaya Prakashani Private Limited	-	-	-	-	-	6.19	9.26	9.29	-	1.46	7.42	**33.63**
Deletions	-	-		-	(16.91)	(0.23)	(0.83)	(12.87)	(1.14)	-	(5.27)	**(37.25)**
Deletions on sale of investments in Arch Papier Mache Private Limited	(41.10)	-	(2.72)	-	-	-	-	(7.81)	-	-	-	**(51.63)**
Adjustment for asset held for sale	-	-	-	-	-	-	-	(10.35)	-	-	-	**(10.35)**
As at December 31, 2016	**(0.00)**	**74.92**	**19.96**	**219.36**	**679.70**	**120.43**	**122.19**	**134.97**	**29.39**	**24.53**	**343.00**	**1,768.54**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVA - Restated consolidated statement of Property, Plant and Equipment

Depreciation

Particulars	Land	Leasehold Land	Buildings	Buildings - Factory	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Electrical Installations	Others - Computer	Total
As at April 01, 2011	-	-	**57.64**	-	**89.88**	**5.77**	**25.45**	**32.11**	-	-	**28.82**	**239.67**
Charge for the year	-	-	0.02	-	6.50	2.63	3.98	7.90	-	-	6.46	**27.48**
Addition on account of change of shareholding in Joint venture	-	-	-	-	0.00	0.00	0.00	0.00	-	-	0.05	**0.06**
Deletions	-	-	-	-	(19.21)	(0.01)	(0.02)	(4.66)	-	-	-	**(23.90)**
Adjustments on demerger	-		(54.62)	-	-	-	(10.99)	(0.11)	-		(1.23)	**(66.94)**
Disposal on account of sale of subsidiary/ restructuring	-	-	(2.93)	-	-	(1.24)	(0.58)	(1.72)	-	-	-	**(6.47)**
As at March 31, 2012	-	-	**0.11**	-	**77.17**	**7.15**	**17.84**	**33.52**	-	-	**34.10**	**169.90**
Charge for the year	0.01	5.42	0.60		17.83	3.29	4.46	11.32	0.39		11.02	**54.35**
Additions on account of change of shareholding in Joint venture	-	-	0.00	-	0.00	0.00	0.00	0.00	-	-	0.02	**0.03**
Depreciation acquired on acquisition	0.48	0.03	6.74	-	78.47	6.37	8.19	9.69	-	-	13.60	**123.54**
Deletions	(0.49)	-	-	-	(10.80)	-	-	(13.23)	-	-	(1.30)	**(25.81)**
As at March 31, 2013	-	**5.45**	**7.45**	-	**162.67**	**16.81**	**30.49**	**41.30**	**0.39**	-	**57.64**	**322.21**
Charge for the year	-	1.93	0.94	1.19	30.99	2.97	9.55	17.56	0.80	0.32	26.30	**92.55**
Additions on account of change of shareholding in Joint venture	-	-	(0.00)	-	(2.06)	2.76	0.00	-	-	-	(0.70)	**(0.00)**
Deletions	-	-	(3.49)	-	-	(0.04)	(0.19)	(5.09)	-	-	(0.16)	**(8.97)**
As at March 31, 2014	-	**7.38**	**4.90**	**1.19**	**191.60**	**22.50**	**39.85**	**53.77**	**1.19**	**0.32**	**83.08**	**405.79**
Charge for the year	-	1.14	0.72	2.46	38.08	23.00	12.29	22.62	3.03	2.65	59.13	**165.11**
Depreciation acquired on acquisition	-	-	-	-	-	-	-	0.03	-	-	0.22	**0.25**
Additions on account of conversion of Joint Venture into Subsidiary	-	-	-	-	0.12	0.37	0.87	0.41	-	-	23.84	**25.62**
Deletions	-	-	-	-	(55.11)	-	-	(5.67)	-	-	(0.05)	**(60.83)**
Adjustments (Refer Note 1 below)	-	-	-	-	-	1.90	0.00	-	-	-	0.25	**2.15**
As at March 31, 2015	-	**8.52**	**5.62**	**3.65**	**174.69**	**47.77**	**53.01**	**71.16**	**4.22**	**2.97**	**166.47**	**538.09**
Charge for the year	-	1.15	0.68	10.79	51.35	22.32	15.06	19.52	3.44	5.22	45.51	**175.05**
Deletions	-	-	-	-	(11.00)	(2.38)	(8.09)	(16.27)	-	-	(7.37)	**(45.11)**
As at March 31, 2016	-	**9.67**	**6.30**	**14.44**	**215.04**	**67.71**	**59.98**	**74.41**	**7.66**	**8.19**	**204.61**	**668.03**
Charge for the period/year	-	0.86	0.47	7.77	37.33	12.19	8.81	14.85	2.84	2.93	33.47	**121.52**
Depreciation acquired on acquisition of Chhaya Prakashani Private Limited	-	-	-	-	-	4.47	5.01	5.16	-	0.48	6.28	**21.40**
Deletions on sale of investments in Arch Papier Mache Private Limited	-	-	(2.16)	-	-	-	-	(5.04)	-	-	-	**(7.21)**
Deletions	-	-	-	-	(3.00)	(0.18)	(0.33)	(8.85)	(0.17)	-	(2.49)	**(15.02)**
Adjustment for asset held for sale	-	-	-	-	-	-	-	(6.37)	-	-	-	**(6.37)**
As at December 31, 2016	-	**10.53**	**4.61**	**22.21**	**249.37**	**84.19**	**73.47**	**74.16**	**10.33**	**11.60**	**241.87**	**782.35**

Net Block

Particulars	Land	Leasehold Land	Buildings	Buildings - Factory	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Electrical Installations	Others - Computer	Total
As at March 31, 2012	**(0.00)**	-	**0.32**	-	**44.16**	**16.37**	**20.76**	**40.35**	-	-	**35.38**	**157.31**
As at March 31, 2013	**41.10**	**69.47**	**22.99**	-	**137.79**	**24.35**	**25.04**	**53.25**	**1.67**	-	**48.89**	**424.51**
As at March 31, 2014	**41.10**	**67.54**	**17.78**	**34.70**	**201.43**	**32.01**	**30.28**	**71.88**	**1.89**	**8.63**	**92.60**	**599.89**
As at March 31, 2015	**41.10**	**66.40**	**17.06**	**213.56**	**405.34**	**43.43**	**51.71**	**73.76**	**19.08**	**20.10**	**145.69**	**1,097.31**
As at March 31, 2016	**41.10**	**65.25**	**16.36**	**204.92**	**390.20**	**39.11**	**49.86**	**53.10**	**22.46**	**14.88**	**127.64**	**1,024.92**
As at December 31, 2016	**(0.00)**	**64.39**	**15.35**	**197.15**	**430.33**	**36.24**	**48.72**	**60.81**	**19.06**	**12.93**	**101.13**	**986.19**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVA - Restated consolidated statement of Property, Plant and Equipment

In S Chand and Company Private Limited, plant and equipment includes plant given on operating lease

	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Gross block	-	-	21.56	38.53	34.96	17.97
Depreciation charge for the period/year	-	-	1.86	5.63	5.03	2.50
Accumulated depreciation	-	-	6.13	13.16	7.53	2.50
Net book value	-	-	15.43	25.37	27.43	15.47

In S Chand and Company Limited, others - computer includes equipments given on operating lease:

	As at December 31,	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Gross block	-	-	79.37	57.25	-	-
Depreciation charge for the period/year	-	-	25.84	12.51	-	-
Accumulated depreciation	-	-	38.35	12.51	-	-
Net book value	-	-	41.02	44.74	-	-

Others-computers includes computers taken on finance lease:

	As at December 31,	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Gross block	-	79.66	81.88	73.59	-	-
Depreciation charge for the period/year	-	3.17	12.33	15.31	-	-
Accumulated depreciation	-	30.80	27.63	15.31	-	-
Net book value	-	48.85	54.24	58.28	-	-

Notes:

1) In S Chand and Company Private Limited, amount of Rs. 1.95 million, which represents the net of tax amount which has been adjusted with reserves in terms of transition provision of Schedule II of the Companies Act, 2013.
In BPI (India) Private Limited, amount of Rs. 0.19 million, which represents the net of tax amount which has been adjusted with reserves in terms of transition provision of Schedule II of the Companies Act, 2013.

2) In case of Vikas Publishing House Private Limited, leasehold rights in land measuring 10,290 Sq. yards at Sahibabad have been granted to the company by U.P State Industrial Development Corporation in the year 1977-78. The provisional price for the grant of lease holds rights have been fixed at Rs. 0.25 million. The tentative price so fixed was increased in the year 1978-79 by Rs 100 being the amount of land application fee paid in the year. The registration deed is in the favour of the company. The final amount was derived at Rs. 0.28 million. This land was revalued in the year 2005-2006 by Rs. 51.20 million. Building was also revalued in 2005-2006 who's historical value was Rs. 2.26 million and its has been revalued by Rs. 3.57 million. Revaluation was done based on the report of Certified Government Valuer dated 30th June, 2006. Company has charged the additional depreciation on account of revaluation to the Statement of Profit and Loss.

3) In case of Vikas Publishing House Private Limited, disposals during the financial year 2013-14 includes discard of office building as above and accordingly the revaluation reserve of Rs 2,850,959 has been reversed to the extent the net book value and Rs 719,157 pertaining to depreciation for earlier years has been transferred to General reserve.

3) In Arch Papier-Mache Private Limited, the cost of land and building was Rs 31.58 million. In earlier years this was treated as building and depreciation was being charged accordingly. In the FY 2014-15 this has been bifurcated into land and building separately on the basis of circle rate as per sale deed and the depreciation now being charged on building only. Adjustment w.r.t. excessive depreciation charged on land in earlier years has been accounted for in restated summary statements. (Refer Note 8 Annexure IVA)

4) In Arch Papier-Mache Private Limited, the company is setting up a printing press at Greater Noida. Depreciation on vehicle has been debited to capital work-in-progress and depreciation on let out property has been charged to the statement of profit and loss in all years.

5) In Arch Papier-Mache Private Limited, capital work in progress as at March 31, 2016 includes Rs. 8.34 million given to contractor for which bill is pending.

6) In DS Digital Private Limited, during the nine months period ended December 31, 2016, assets amounting to Rs 2.22 million shown under lease assets as on March 31, 2016 has been transferred to owned assets, as assets were not covered under lease due to delay in submission of required documents to the lessor.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVA - Restated consolidated statement of Property, Plant and Equipment

7) Details of tangible assets (moveable and immoveable assets pledged as securities against long term and short term borrowing is stated below (Also refer Annexure IX and XIV):

Name of the entity	Type of tangible assets pledged	Written Down Value As at 31 December 2016	Written Down Value As at 31 March 2016	Written Down Value As at 31 March 2015	Written Down Value As at 31 March 2014	Written Down Value As at 31 March 2013	Written Down Value As at 31 March 2012
S Chand and Company Limited (formerly known as S Chand and Company Private Limited)	Moveable	122.45	132.51	190.19	188.25	124.13	106.32
Nirja Publishers & Printers Private Limited	Moveable/ Immoveable	19.82	20.75	18.75	0.73	-	-
Eurasia Publishing House Private Limited	Moveable/ Immoveable	1.04	-	1.83	2.55	-	-
Vikas Publishing House Private Limited	Moveable/ Immoveable	705.90	675.83	421.09	217.59	104.19	-
Rajendra Ravindra Printers Private Limited	Moveable/ Immoveable	-	-	276.19	71.51	79.08	-
BPI (India) Private Limited	Moveable	3.43	6.50	5.16	7,188.83	5,126.07	-
DS Digital Private Limited	Moveable	77.16	93.06	96.04	-	-	-
New Saraswati House (India) Private Limited	Moveable/ Immoveable	38.67	40.26	40.92	-	-	-
Chhaya Prakashani Private Limited	Vehicles	0.11	-	-	-	-	-

7) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
8) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVB - Restated consolidated statement of intangible assets

Gross Block **(Amount in Rupees million)**

Particulars	Goodwill	Goodwill on Consolidation	Publishing rights	Computer Software	Copyrights	In-House Product Development	License Fees	Technical Knowhow	Website Designing	Content	Total
As at April 01, 2011	**42.21**	**-**	**5.25**	**-**	**1.84**	**-**	**4.90**	**-**	**-**	**47.17**	**101.37**
Additions	32.68	-	-	-	-	-	0.86	-	0.17	14.12	**47.83**
Addition on account of change of shareholding in Joint venture	-	-	-	-	-	-	-	-	-	2.28	**2.28**
As at March 31, 2012	**74.89**	**-**	**5.25**	**-**	**1.84**	**-**	**5.76**	**-**	**0.17**	**63.57**	**151.48**
Additions	-	1,117.19	-	3.86	3.42	5.28	1.48	-	0.16	27.31	**1,158.70**
Adjustments (Refer Note 2 Annexure IVA)	-	(2.24)	-	-	-	-	-	-	-	-	**(2.24)**
Adjustments (Refer Note 4 Annexure IVA)	-	0.23	-	-	-	-	-	-	-	-	**0.23**
Adjustments (Refer Note 7 Annexure IVA)	-	1.63	-	-	-	-	-	-	-	-	**1.63**
Addition on account of acquisition	12.26	-	-	-	7.28	4.80	3.65	5.35	-	-	**33.34**
As at March 31, 2013	**87.15**	**1,116.81**	**5.25**	**3.86**	**12.54**	**10.08**	**10.89**	**5.35**	**0.33**	**90.88**	**1,343.14**
Additions	-	-	-	2.30	15.38	0.79	-	-	-	-	**18.47**
Deletions	-	-	-	-	-	-	-	-	-	-	**-**
As at March 31, 2014	**87.15**	**1,116.81**	**5.25**	**6.16**	**27.92**	**10.87**	**10.89**	**5.35**	**0.33**	**90.88**	**1,361.61**
Additions	-	58.70	-	45.86	0.92	42.06	-	-	-	-	**147.54**
Assets acquired on acquisition	76.20		-	3.82	166.68	-	-	-	-	-	**246.70**
Additions on account of conversion of Joint Venture into Subsidiary	-	-	-	-	-	-	-	-	-	97.07	**97.07**
As at March 31, 2015	**163.35**	**1,175.51**	**5.25**	**55.84**	**195.52**	**52.93**	**10.89**	**5.35**	**0.33**	**187.95**	**1,852.92**
Additions	-	623.71	-	15.43	20.78	80.26	-	-	-	66.29	**806.47**
Deletions	-	-	-	(0.07)	(0.01)	-	-	-	-	-	**(0.08)**
Adjustment on account of amalgamation		(81.29)									**(81.29)**
As at March 31, 2016	**163.35**	**1,717.93**	**5.25**	**71.20**	**216.29**	**133.19**	**10.89**	**5.35**	**0.33**	**254.24**	**2,578.02**
Additions	-	-	-	15.90	-	36.81	-	0.04	-	11.58	**64.33**
Assets acquired on acquisition of Chhaya Prakashani Private Limited		1,573.38		10.17	4.63	-	-	0.15	-	-	**1,588.34**
Adjustment on account of sale of investment in Arch Papier Mache Private Limited	-	(0.90)	-		-	-	-	-	-	-	**(0.90)**
Deletions	-	-	-	(4.24)	-	-	-	-	-	-	**(4.24)**
As at December 31, 2016	**163.35**	**3,290.41**	**5.25**	**93.03**	**220.92**	**170.00**	**10.89**	**5.54**	**0.33**	**265.82**	**4,225.55**

Amortization

Particulars	Goodwill	Goodwill on Consolidation	Publishing rights	Computer Software	Copyrights	Content Development	License Fees	Technical Knowhow	Website Designing	Content	Total
As at April 01, 2011	**16.88**	**-**	**4.73**	**(0.00)**	**0.07**	**-**	**0.75**	**-**	**-**	**4.71**	**27.14**
Charge for the year	4.22	-	-	-	0.18	-	0.98	-	0.01	5.43	**10.82**
Adjustments (Refer Note 13 Annexure IVA)	-	-	0.52	-	-	-	-		-	-	**0.52**
Addition on account of change of shareholding in Joint venture	-	-	-	-	-	-	-	-	-	0.22	**0.22**
As at March 31, 2012	**21.10**	**-**	**5.25**	**(0.00)**	**0.25**	**-**	**1.73**	**-**	**0.01**	**10.36**	**38.70**
Charge for the year	8.75	-	-	0.35	1.30	1.00	1.68	0.54	0.06	7.44	**21.12**
Addition on account of acquisition	1.37	-	-	-	3.20	2.35	1.68	-	-	-	**8.60**
Deletions	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2013	**31.22**	**-**	**5.25**	**0.35**	**4.75**	**3.35**	**5.09**	**0.54**	**0.07**	**17.80**	**68.42**
Charge for the year	9.94	-	-	1.35	5.10	2.17	2.18	0.48	0.10	9.09	**30.41**
Deletions	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2014	**41.16**	**-**	**5.25**	**1.70**	**9.85**	**5.52**	**7.27**	**1.02**	**0.17**	**26.90**	**98.83**
Charge for the year	16.58	-	-	5.69	20.42	1.16	1.90	0.57	0.02	16.37	**62.71**
Amortization acquired on acquisition	5.21	-	-	0.37	11.41	-	-	-	-	-	**16.99**
Additions on account of conversion of Joint Venture into Subsidiary	-	-	-	-	-	-	-	-	-	31.20	**31.20**
As at March 31, 2015	**62.95**	**-**	**5.25**	**7.76**	**41.68**	**6.68**	**9.17**	**1.59**	**0.19**	**74.47**	**209.73**
Charge for the year	17.47	-	-	10.52	17.83	15.71	0.92	0.57	0.02	22.63	**85.67**
Deletions	-	-	-	(0.07)	0.34	-	-	-	-	-	**0.27**
As at March 31, 2016	**80.42**	**-**	**5.25**	**18.21**	**59.85**	**22.39**	**10.09**	**2.16**	**0.21**	**97.10**	**295.67**
Charge for the period	13.16	-	-	17.56	15.36	14.33	0.51	0.19	0.01	19.95	**81.07**
Assets acquired on acquisition of Chhaya Prakashani Private Limited	-	-	-	7.23	3.99	-	-	0.09	-	-	**11.31**
Disposal	-	-	-	(0.28)	-	-	-	-	-	-	**(0.28)**
Impairment loss (Refer note 3 below)	-	-	-	-	0.91	-	-	3.02	0.11	-	**4.03**
As at December 31, 2016	**93.58**	**-**	**5.25**	**42.72**	**80.11**	**36.72**	**10.60**	**5.46**	**0.32**	**117.05**	**391.80**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVB - Restated consolidated statement of intangible assets

Net Block

Particulars	Goodwill	Goodwill on Consolidation	Publishing rights	Computer Software	Copyrights	Content Development	License Fees	Technical Knowhow	Website Designing	Content	Total
As at March 31, 2012	**53.80**	**-**	**-**	**0.00**	**1.60**	**-**	**4.03**	**-**	**0.15**	**53.21**	**112.78**
As at March 31, 2013	**55.93**	**1,116.81**	**-**	**3.52**	**7.79**	**6.73**	**5.79**	**4.82**	**0.26**	**73.08**	**1,274.72**
As at March 31, 2014	**45.99**	**1,116.81**	**-**	**4.46**	**18.07**	**5.34**	**3.61**	**4.34**	**0.16**	**63.99**	**1,262.78**
As at March 31, 2015	**100.40**	**1,175.51**	**-**	**48.08**	**153.84**	**46.25**	**1.72**	**3.76**	**0.14**	**113.48**	**1,643.19**
As at March 31, 2016	**82.93**	**1,717.93**	**-**	**52.99**	**156.44**	**110.80**	**0.79**	**3.20**	**0.12**	**157.14**	**2,282.35**
As at December 31, 2016	**69.77**	**3,290.41**	**-**	**50.31**	**140.81**	**133.28**	**0.29**	**0.08**	**0.01**	**148.77**	**3,833.75**

Notes:

1) In S Chand Edutech Private Limited, no substantial activity is carried out during the financial year 2014-15. Circumstances indicate that there is a case for impairment of assets. As per management view, the Company is looking at using the content as an additional resource for the Engineering books of S Chand and Company Limited (Holding company). Considering that the Holding Company is the strongest in the Engineering segment in India, IPR can be exploited. In financial year 2013-14, S Chand Edutech Private Limited has done the exercise of computing the cash flows over the next five years. As per the exercise carried, the expected cash flow (DCF) exceeds the carrying value of the fixed assets, hence no impairment is required.
2) In Safari Digital Education Initiative Private Limited, content development includes Rs. 8.51 million in respect of content fully developed and free usage granted as of now and will be billed/charged on acceptance by the users, includes Rs. 0.56 million spent on Content 3D Printing- project under demonstration and includes Rs. 0.70 million spent on E-Basta content on which revenue not accrued.
3) In S Chand and Edutech Private Limited, intangibles were not generating revenue and are not transferable, hence the impairment loss has been booked against such intangibles.
4) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
5) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVI - Restated consolidated statement of non current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Trade investments (valued at cost, unless stated otherwise)												
Investment in equity instruments												
a. Investments in associate (Unquoted)												
Equity shares of Blackie & Son (Calcutta) Private Limited of Rs. 1,000 each fully paid up (Refer Note 1 below)	-	-	-	-	-	-	-	-	-	-	39	24.77
Equity shares of Edutor Technologies (India) Private Limited of Rs. 2 each fully paid up (Refer Note 2 below)	2,025,766	177.87	2,025,766	194.86	1,372,549	129.94	-	-	-	-	-	-
Total (A)	**2,025,766**	**177.87**	**2,025,766**	**194.86**	**1,372,549**	**129.94**	**-**	**-**	**-**	**-**	**39**	**24.77**
b. Share application money												
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	-	-	-	-	-	-	-	32.37	-	26.38	-	19.71
Total (B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**32.37**	**-**	**26.38**	**-**	**19.71**
Non Trade investments (valued at cost, unless stated otherwise)												
c. Investment in equity instruments (Quoted)												
Equity shares of Reliance Industries Limited of Rs. 10 each fully paid up	40	0.02	40	0.02	40	0.02	40	0.02	40	0.02	-	-
Equity shares of Winsome Breweries Limited of Rs. 10 each fully paid up (at cost less provision for other than temporary diminution in value of Rs. 54,648 as at December 31, 2016, March 31, 2016 and Rs. 146,448 as at March 31, 2015, 2014 and 2013 and Rs. Nil as at March 31, 2012	21,600	0.16	21,600	0.16	21,600	0.07	21,600	0.07	21,600	0.07	-	-
Equity shares of State Bank of India of Rs. 1 each fully paid up (Rs. 10 each as at March 31, 2014, 2013 and 2012)	1,000	0.01	1,000	0.01	1,000	0.01	100	0.01	100	0.01	50	0.01
Equity shares of Oriental Bank of Commerce of Rs. 10 each fully paid up	400	0.02	400	0.02	400	0.02	400	0.02	400	0.02	200	0.01
Equity shares of Mafatlal Finance Co. Limited of Rs. 10 each fully paid up (at cost less provision for other than temporary diminution in value of Rs. 5,150 as at December 31, 2016, March 31, 2016, 2015, 2014 and 2013 and Rs. Nil as at March 31, 2012 respectively)	100	-	100	-	100	-	100	-	100	-	100	0.01
Equity shares of Reliance Power Limited of Rs. 10 each fully paid up	125	0.06	125	0.06	125	0.06	125	0.06	125	0.06	-	-
Equity shares of EIH Associated Hotel Limited of Rs. 10 each fully paid	400	0.08	400	0.08	400	0.08	400	0.08	400	0.08	-	-
Total (C)	**23,665**	**0.35**	**23,665**	**0.35**	**23,665**	**0.26**	**22,765**	**0.26**	**22,765**	**0.26**	**350**	**0.03**
d. Investment in equity instruments (Unquoted)												
Equity shares of Bharat Glass Tubes Limited of Rs. 10 each fully paid up (at cost less provision for other than temporary diminution in value Rs. 100,000 as at December 31, 2016, March 31, 2016, 2015, 2014 and	20,000	0.10	20,000	0.10	20,000	0.10	20,000	0.10	20,000	0.10	-	-
Equity shares of Smartivity Labs Private Limited of Rs. 10 each fully paid	50	0.52	1	0.00	-	-	-	-	-	-	-	-
Equity shares of Gyankosh Solutions Private Limited of Rs. 10 each fully paid up	100	0.01	100	0.01	-	-	-	-	-	-	-	-
Equity shares of Testbook Edu Solutions Private Limited (Formerly Share Infotech Private Limited)of Rs. 10 each fully paid up	100	0.83	100	0.83	-	-	-	-	-	-	-	-
Total (D)	**20,250**	**1.46**	**20,201**	**0.94**	**20,000**	**0.10**	**20,000**	**0.10**	**20,000**	**0.10**	**-**	**-**
e. Investments in Government and Trust securities (Unquoted)												
Investment in government securities (National Savings Certificates)	-	0.03	-	0.03	-	0.03	-	0.03	-	0.03	-	0.03
Total (E)	**-**	**0.03**	**-**	**0.03**	**-**	**0.03**	**-**	**0.03**	**-**	**0.03**	**-**	**0.03**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVI - Restated consolidated statement of non current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
f. Investments in preference shares (Unquoted)												
Preference shares of Essar Gujrat Limited at Rs. 37.14 each (at cost less provision for other than temporary diminution in value of Rs. 59,425 as at December 31, 2016, March 31, 2016, 2015 and 2014	1,600	-	1,600	-	1,600	-	1,600	-	1,600	0.06	1,600	0.06
Redeemable preference shares of Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) of Rs. 10 each fully paid up (on conversion of 410 convertible debentures of Rs. 100,000 each at Rs. 80 per share)	-	-	-	-	-	-	512,500	41.00	512,500	41.00	512,500	41.00
6% Preference shares of Zee Entertainment Enterprises Limited (Bonus shares)	4,200	-	4,200	-	4,200	-	4,200	-	-	-	-	-
0.001% Compulsorily Convertible Cumulative Preference shares of Smartivity Labs Private Limited of Rs. 10 each fully paid up	5,064	15.63	4,164	6.14	-	-	-	-	-	-	-	-
Compulsorily Convertible Cumulative Preference Shares of Gyankosh Solutions Private Limited of Rs. 10 each	319,900	24.15	319,900	24.15	-	-	-	-	-	-	-	-
Compulsorily Convertible Cumulative Preference Shares of Testbook Edu Solutions Private Limited (Formerly Share Infotech Private Limited) of Rs. 500 each	2,690	22.23	2,690	22.23	-	-	-	-	-	-	-	-
Compulsorily Convertible Cumulative Preference Shares of Next Door Learning Solutions Private Limited of Rs. 10 each	353	4.87	353	4.87	-	-	-	-	-	-	-	-
Total (F)	**333,807**	**66.88**	**332,907**	**57.39**	**5,800**	**-**	**518,300**	**41.00**	**514,100**	**41.06**	**514,100**	**41.06**
g. Investments in debentures or bonds (Unquoted)												
12% secured redeemable non-convertible debentures of MGF Limited of Rs. 60 each fully paid-up (at cost less provision for other than temporary diminution in value of Rs. 1,000 as at December 31, 2016, March 31, 2016, 2015, 2014 and 2013 respectively)	150	0.01	150	0.01	150	0.01	150	0.01	150	0.01	100	0.01
Tax free Bonds of Power Finance Corporation*	1,000	2.14	-	-	-	-	-	-	-	-	-	-
Total (G)	**1,150**	**2.15**	**150**	**0.01**	**150**	**0.01**	**150**	**0.01**	**150**	**0.01**	**100**	**0.01**
h. Investments in Mutual funds (Unquoted)												
Kotak Equity Arbitrage Fund - Dividend Plan	246,660	5.00	-	-	-	-	-	-	-	-	-	-
Total (H)	**246,660**	**5.00**	-	-	-	-	-	-	-	-	-	-
Total (A+B+C+D+E+F+G+H)	**2,651,298**	**253.74**	**2,402,689**	**253.58**	**1,422,164**	**130.34**	**561,215**	**73.77**	**557,015**	**67.84**	**514,589**	**85.61**
Aggregate book value of quoted investments		**0.35**		**0.35**		**0.26**		**0.26**		**0.26**		**0.03**
Aggregate market value of quoted investments		**0.59**		**0.51**		**0.26**		**0.46**		**0.46**		**0.44**
Aggregate book value of unquoted investments		**253.39**		**253.23**		**130.08**		**73.51**		**67.58**		**85.58**
Aggregate provision for diminution in value of investments		**0.22**		**0.22**		**0.31**		**0.31**		**0.25**		**-**

Notes:

1) The Holding Company acquired 26.17% stake in Blackie & Sons (Calcutta) Private Limited on March 22, 2012 by acquiring 39 equity shares of Rs. 1,000 each fully paid up at a premium of Rs. 618,000 per share. During the financial year 2012-13, the Holding Company further acquired additional 73.83% stake by investing an additional amount of Rs. 36,651,890 for acquisition of 110 equity shares of Rs. 1,000 each fully paid up at a premium of Rs. 332,199 on Sept 25, 2012 and became a subsidiary company.

2)							
Share of net assets of associate company on date of acquisition	43.84	43.84	32.69	-	-	15.55
Add: Goodwill on acquisition of associate company	191.99	191.99	110.97	-	-	8.59
Less : Share in post acquisition loss	(57.96)	(40.96)	(13.72)	-	-	0.63
Carrying amount of investment	**177.87**	**194.86**	**129.94**	-	-	**24.77**

3) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
4) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.
5) These investments are in the name of the Group.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVII - Restated consolidated statement of loans and advances

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Capital advances												
Secured, considered good	-	-	-	-	1.43	-	8.71	-	8.80	-	2.22	-
Unsecured, considered good	2.31	0.88	12.84	-	17.45	-	20.65	-	-	-	-	-
Total (A)	**2.31**	**0.88**	**12.84**	**-**	**18.88**	**-**	**29.36**	**-**	**8.80**	**-**	**2.22**	**-**
Security deposits												
Secured, considered good	-	-	-	-	7.17	-	4.61	-	1.86	-	-	-
Unsecured, considered good	63.03	10.40	52.23	7.64	33.30	8.32	9.27	22.11	26.18	1.12	11.93	-
Total (B)	**63.03**	**10.40**	**52.23**	**7.64**	**40.47**	**8.32**	**13.88**	**22.11**	**28.04**	**1.12**	**11.93**	**-**
Advances recoverable in cash or kind												
Unsecured, considered good	2.00	182.13	2.00	87.98	2.00	40.13	2.01	30.37	12.01	30.52	-	37.18
Unsecured, considered doubtful	-	0.69	-	0.69	-	1.20	-	1.20	-	0.52	-	-
	2.00	**182.82**	**2.00**	**88.67**	**2.00**	**41.33**	**2.01**	**31.57**	**12.01**	**31.04**	**-**	**37.18**
Less: Provision for doubtful advances	-	(0.69)	-	(0.69)	-	(1.20)	-	(1.20)	-	(0.52)	-	-
Total (C)	**2.00**	**182.13**	**2.00**	**87.98**	**2.00**	**40.13**	**2.01**	**30.37**	**12.01**	**30.52**	**-**	**37.18**
Loans and advances to related parties												
Secured, considered good (Refer Note 1 below)	-	-	-	-	-	-	-	39.81	-	39.81	-	38.80
Unsecured, considered good	-	0.69	-	2.31	-	3.18	-	48.50	-	354.19	-	390.71
Total (D)	**-**	**0.69**	**-**	**2.31**	**-**	**3.18**	**-**	**88.31**	**-**	**394.00**	**-**	**429.51**
Other loans and advances (Unsecured, considered good)												
Advance income tax (net of provision for tax)	96.96	397.81	46.59	19.12	48.81	16.58	32.07	1.97	12.66	3.50	32.31	0.83
FBT refundable	-	-	-	-	-	-	-	-	0.00	-	0.00	-
Mat Credit Available	54.29	9.27	64.22	7.10	74.24	3.64	81.53	-	58.18	-	40.04	-
Balance with statutory/ government authorities	-	6.32	0.08	4.61	0.88	4.28	-	2.84	2.31	2.86	3.75	0.72
Government grant recoverable	-	-	-	-	-	-	-	2.19	-	-	-	-
Prepaid expenses	0.08	16.58	0.17	16.77	1.62	16.48	0.13	12.45	-	8.09	-	0.79
Loans to employees	-	0.05	-	0.04	-	0.04	-	0.09	-	0.89	-	0.58
Advances to suppliers	-		-	-				-				
Others (Refer Note 1 below)	39.81	-	-	39.81	-	39.81	-	-	-	-	-	-
Total (E)	**191.14**	**430.03**	**111.06**	**87.45**	**125.55**	**80.83**	**113.73**	**19.54**	**73.15**	**15.34**	**76.10**	**2.92**
Total (A+B+C+D+E)	**258.48**	**624.13**	**178.13**	**185.38**	**186.90**	**132.46**	**158.98**	**160.33**	**122.00**	**440.98**	**90.25**	**469.61**

Notes:

1) In case of Safari Digital Education Initiative Private Limited (formerly known as S Chand Digital Private Limited), balance of Rs. 9.86 million due from JSR Marketing Private Limited (formerly known as S Chand Technologies Private Limited) as at December 31, 2016 and March 31, 2015, 2014 and 2013 (March 31, 2012 : Rs. 1.89 million) is considered good by the management. The amount represents advance for content development in the earlier year.

In case of Safari Digital Education Initiative Private Limited (formerly known as S Chand Digital Private Limited), balance of Rs. 29.95 million is considered good by the management. The amount represents advance for subscription in S Chand Technologies Private Limited in the earlier year. The company S Chand Technologies Private Limited has been renamed as JSR Marketing Private Limited. The amount of advance subscription was deemed refundable due to change in the ownership of the company. The entire amount is an advance to be recovered from JSR Marketing Private Limited.

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.
4) Following are the amounts due from the related parties:

Particulars	Relationship	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
		Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
SC Hotel Tourist Deluxe Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	0.13	-	-	-	0.61	-	0.17	-	-
S Chand Hotels Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	46.00
S Chand Hotels Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	0.01	-	0.00	-	0.52	-	-
Shyam Lal Charitable Trust	Enterprises over which KMP exercise significant influence	-	0.01	-	-	-	1.25	-	1.20	-	1.10	-	0.04
S Chand Properties Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	0.02	-	0.03	-	2.07	-	-
SHAARA Hospitalities Private Limited	Subsidiary	-	-	-	-	-	-	-	-	-	-	-	342.77
	Enterprises over which KMP exercise significant influence	-	0.01	-	0.01	-	0.01	-	0.00	-	321.99	-	-
Raasha Entertainment & Leisure LLP	Enterprises over which KMP exercise significant influence	-	0.22	-	0.22	-	0.22	-	0.06	-	0.40	-	0.40
Shyam Lal Nursing Home & Research Centre Private Limited	Enterprises over which KMP exercise significant influence	-	0.11	-	0.11	-	0.11	-	0.11	-	-	-	-
RKG Hospitalities Private Limited	Enterprises over which KMP exercise significant influence	-	0.34	-	0.34	-	0.34	-	0.34	-	-	-	-
Smartivity Labs Private Limited	Enterprises over which KMP exercise significant influence				1.50	-	-	-	-	-	-	-	-
JSR Marketing Private Limited (formerly known as S Chand Technologies Private Limited)	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	39.81	-	40.31	-	38.80
Orange Associates Private Limited (formerly known as Saraswati House	Enterprises over which KMP exercise significant influence	-	-	-	-	-	1.22	-	-	-	-	-	-
Global Knowledge Network Society	Enterprises over which KMP exercise significant influence	-	-	-	-	-	-	-	0.13	-	0.01	-	1.50
Education Media and Publishing Group International (EMPGI)	Joint venturers	-	-	-	-	-	-	-	42.82	-	27.43	-	-
Mrs. Neerja Jhunjhnuwala	Key managerial personnel	-	-	-	-	-	-	-	3.20	-	-	-	-
		-	**0.69**	**-**	**2.31**	**-**	**3.18**	**-**	**88.31**	**-**	**394.00**	**-**	**429.51**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XVIII - Restated consolidated statement of trade receivables

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Non-current												
Unsecured, considered good	-	-	28.70	-	16.61	-	-	-	-	-	-	-
Unsecured, considered doubtful	-	-	8.16	-	5.54	-	-	-	-	-	-	-
	-	-	36.86	-	22.15	-	-	-	-	-	-	-
Less: provision for doubtful debts	-	-	(8.16)	-	(5.54)	-	-	-	-	-	-	-
	-	-	**28.70**	-	**16.61**	-	-	-	-	-	-	-
Outstanding for a period exceeding six months from the date they are due for payment												
Unsecured, considered good	-	611.44	-	290.49	-	292.09	-	9.33	-	87.66	-	101.09
Unsecured, considered doubtful	-	128.55	-	57.10	-	28.12	-	32.98	-	27.29	-	4.14
	-	**739.99**	**-**	**348.59**	**-**	**321.21**	**-**	**42.31**	**-**	**114.95**	**-**	**105.23**
Less: provision for doubtful debts	-	(128.55)	-	(57.10)	-	(28.12)	-	(32.98)	-	(27.29)	-	(4.14)
	-	**611.44**	**-**	**290.49**	**-**	**292.09**	**-**	**9.33**	**-**	**87.66**	**-**	**101.09**
Other receivables											-	
Unsecured, considered good		1,344.83	-	3,660.03	-	3,125.17	-	2,299.94	-	1,649.72	-	611.39
	-	**1,344.83**	**-**	**3,660.03**	**-**	**3,125.17**	**-**	**2,299.94**	**-**	**1,649.72**	**-**	**611.39**
Total	**-**	**1,956.27**	**-**	**3,950.52**	**-**	**3,417.26**	**-**	**2,309.27**	**-**	**1,737.38**	**-**	**712.48**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.
3) Following are the amounts due from related parties:

(Amount in Rupees million)

Particulars	Relationship	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
		Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Hotel Tourist (Partnership Firm)	Enterprises over which KMP exercise significant influence	-	0.03	-	0.03	-	0.03	-	-	-	-	-	-
SC Hotel Tourist Deluxe Private Limited	Enterprises over which KMP exercise significant influence	-	-	-	-	-	0.02	-	-	-	-	-	-
Edutor Technologies India Private Limited	Enterprises over which KMP exercise significant influence	-	0.55	-	0.27	-	-	-	-	-	-	-	-
Amenity Public School	Enterprises over which KMP exercise significant influence	-	0.23	-	0.23	-	0.08	-	-	-	-	-	-
		-	**0.81**	**-**	**0.53**	**-**	**0.13**	**-**	**-**	**-**	**-**	**-**	**-**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XIX - Restated consolidated statement of other assets

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
Unsecured, considered good unless stated otherwise												
Non current bank balances (Refer Annexure XXII)	9.43	-	27.49	-	13.86	-	10.91	-	11.86	-	0.05	-
Unamortised expenditure												
Ancillary cost of arranging the borrowings	2.41	1.91	3.84	1.91	7.78	2.58	4.49	1.12	-	-	-	-
Other assets												
Assets held for sale	-	3.98	-	-	-	-	-	-	-	-	-	-
Interest accrued on fixed deposits	0.51	1.63	1.71	-	1.75	-	1.26	0.13	0.15	0.78	0.01	1.64
Others	-	0.49	-	-	-	-	-	-	-	-	-	-
Total	**12.35**	**8.01**	**33.04**	**1.91**	**23.39**	**2.58**	**16.66**	**1.25**	**12.01**	**0.78**	**0.06**	**1.64**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XX - Restated consolidated statement of current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Current investments (valued at lower of cost and fair value, unless stated otherwise)												
Trade investments												
a. Investments in equity instruments (Unquoted)												
Investment in subsidiaries												
Equity shares of S Chand Hotels Private Limited of Rs. 10 each fully paid up (Refer Note 1 below)	-	-	-	-	-	-	-	-	-	-	10,000	0.10
Equity shares of SHAARA Hospitalities Private Limited of Rs. 10 each fully paid up (Refer Note 2 below)	-	-	-	-	-	-	-	-	-	-	100,000	1.00
Equity shares of SC Hotel Tourist Deluxe Private Limited of Rs. 10 each fully paid up (Refer Note 3 below)	-	-	-	-	-	-	-	-	-	-	10,000	0.10
Equity shares of S Chand Properties Private Limited of Rs. 10 each fully paid up (Refer Note 4 below)	-	-	-	-	-	-	-	-	-	-	10,000	0.10
Total (A)	-	-	-	-	-	-	-	-	-	-	**130,000**	**1.30**
Non-trade investments												
b. Investments in equity instruments (Quoted)												
DSQ Software Limited (Equity Shares of Rs.10 each)	2,000	-	2,000	-	2,000	-	2,000	-	2,000	0.00	2,000	0.01
Nextgen Animation Media Limited (Silverline Animation) (Equity Shares of Rs.10 each)	40	-	40	-	40	-	40	-	40	0.00	40	0.00
Silverline Tech EQ (Equity Shares of Rs.10 each)	100	-	100	-	100	-	100	-	100	0.00	100	0.00
3i Infotech Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	1,200	0.01	1,200	0.02
Alps Industries Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.00	500	0.00
Balrampur Chini Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.02	500	0.03
Ballarpur Industries Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	500	0.01	500	0.01
Crest Animation Studios Limited (Equity Shares of Rs. 20 each)	-	-	-	-	-	-	-	-	200	0.00	200	0.01
Dish TV Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.02	500	0.02
Freshtop Fruits Limited (Equity Shares of Rs.10 each)	1,000	0.03	1,000	0.02	1,000	0.02	1,000	0.02	1,000	0.02	1,000	0.01
TV18 Broadcast Limited (Formerly known as IBN18 Broadcast Limited) (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	1,250	0.03	1,250	0.03
GMR Infrastructure Limited (Equity shares of Rs. 1 each)	-	-	-	-	-	-	-	-	3,000	0.06	3,000	0.09
Himatsinke Seide Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.01	500	0.02
IFCI Limited (Equity Shares of Rs.100 each)	-	-	-	-	-	-	-	-	200	0.01	200	0.01
India Cement Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.04	500	0.06
Eon Electric Limited (formerly known as Indo Asian Fusegear Limited) (Equity Shares of Rs. 5 each as at March 31, 2013, March 31, 2012 : Rs. 10 each)	-	-	-	-	-	-	-	-	1,000	0.01	1,000	0.04
Kothari Sugar Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	15,000	0.13	15,000	0.03
Kitply Industries Limited (Equity Shares of Rs. 10 each)	100	-	100	-	100	-	100	-	100	0.00	100	-
Macmillian Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	1,000	0.07	1,000	0.04
Mahaan Foods Limited (Equity Shares of Rs. 10 each)	42,564	0.42	42,564	0.39	42,564	0.39	42,564	0.39	42,564	0.68	42,564	0.68
Navneet Publications Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	250	0.01	250	0.01
Nucleus Software Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	500	0.04	500	0.03
ORG Informatics Limited (Equity Shares of Rs. 10 each)	100	-	100	-	100	-	100	-	100	0.00	100	0.00
Pentamedia Graphics Limited (Equity Shares of Rs. 1 each)	10,457	0.01	10,457	0.01	10,457	0.01	10,457	0.01	10,457	0.01	10,457	0.01
Power Trading Corporation Limited (Equity Shares of Rs. 10 each)	-	-	-	-	-	-	-	-	1,000	0.06	1,000	0.06
Praj Industries Limited (Equity Shares of Rs. 2 each)	-	-	-	-	-	-	-	-	250	0.01	250	0.02
Rana Sugar Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	5,000	0.01	5,000	0.02
Reliance Power Limited (Formerly known as Reliance Natural Resources Limited) (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	250	0.02	250	0.03
Vardhman Concrete Limited (Formerly known as Stresscrete India Limited) (Equity Shares of Rs.10 each)	2,000	-	2,000	0.03	2,000	0.03	2,000	0.03	2,000	0.03	2,000	0.03
Suzlon Energy Limited (Equity Shares of Rs.2 each)	-	-	-	-	-	-	-	-	250	0.00	250	0.01
Syndicate Bank Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	1,250	0.10	1,250	0.10
Vardhman Polytex Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.03	500	0.03
Zee Entertainment Limited (Equity Shares of Rs.10 each)	100	0.02	100	0.02	100	0.02	100	0.02	100	0.02	100	0.01
Zee Entertainment Limited (Equity Shares of Rs.10 each) - bonus shares	100	-	100	-	100	-	100	-	100	0.00	100	-
Zee Learning Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	-	0.00	25	-
Educomp Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	100	0.01	100	0.02
NTPC Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.07	500	0.08
Rolta Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.03	500	0.05
Bartronics Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.00	500	0.02
Tanla Solutions Limited (Equity Shares of Rs.1 each)	-	-	-	-	-	-	-	-	1,000	0.00	1,000	0.01
Britannia Industries Limited (Equity Shares of Rs.2 each)	-	-	-	-	-	-	-	-	200	0.08	200	0.08
Financial Technologies Limited (Equity Shares of Rs.2 each)	-	-	-	-	-	-	-	-	100	0.07	100	0.07
Dhan Laxmi Bank Limited (Equity Shares of Rs.10 each)	-	-	-	-	-	-	-	-	500	0.02	500	0.06
Sistema Shyam Teleservices Limited (Equity Shares of Rs.10 each)	15,880	0.09	15,880	-	15,880	-	15,880	-	15,880	0.00	15,880	-
Advance Metering Technology Limited (Equity Shares of Rs. 5 each)	-	-	-	-	-	-	-	-	1,000	0.00	-	-
Total (B)	**74,441**	**0.57**	**74,441**	**0.47**	**74,441**	**0.47**	**74,441**	**0.47**	**113,941**	**1.74**	**112,966**	**1.85**

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XX - Restated consolidated statement of current investments

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
c. Investments in equity instruments (Unquoted)												
Bharat Glass Tubes Limited (Equity Shares of Rs.100 each) (at cost less provision for other than temporary diminution in value Rs. 100,000 as at March 31, 2016, 2015 and 2014)	1,000	-	1,000	-	1,000	-	1,000	-	1,000	0.10	1,000	0.10
Total (C)	**1,000**	**-**	**1,000**	**-**	**1,000**	**-**	**1,000**	**-**	**1,000**	**0.10**	**1,000**	**0.10**
d. Investments in Mutual Funds (Quoted)												
HDFC Liquid Fund - Direct Plan Growth Option	-	-	40,359	120.00	-	-	-	-	-	0.00	-	-
Reliance Monthly Income Plan - Monthly Divdend	-	-	-	-	-	-	8,473	-	8,473	0.09	8,018	0.09
Principal Monthly Income Plan - Dividend Reinvestment Monthly	83,834	0.85	82,212	0.85	74,841	0.84	74,841	0.77	73,978	0.78	69,813	0.74
IDFC Monthly Income Plan - Fund of fund - Dividend	-	-	-	-	5,061	0.05	5,061	0.05	5,061	0.05	5,061	0.05
Reliance Regular Savings Fund - Debt Plan - Growth Option	-	-	-	-	-	-	-	-	6,313	0.09	6,313	0.09
ICICI Prudential Monthly Income Plan - 25 Monthly Dividend	-	-	-	-	-	-	-	-	21,762	0.26	20,471	0.24
JP Morgan India Active Bond Fund - Growth Plan	-	-	-	-	61,826	0.69	61,826	0.69	61,826	0.69	-	-
Franklin India Prima Fund	-	-	-	-	1,590	0.37	1,590	0.37	1,590	0.37	-	-
Templeton India Corporate Bond Opportunities Fund	57,906	0.60	57,906	0.60	57,906	0.60	57,906	0.60	57,906	0.60	-	-
ICICI Prudential Balance Fund	-	-	-	-	36,584	3.05	-	-	-	0.00	-	-
ICICI Prudential Regular Saving Fund - Growth Plan	-	-	6,278	0.66	-	-	219,796	2.75	-	0.00	-	-
IMPD ICICI Prudential MIP-25	-	-	-	-	-	-	-	-	216,923	2.68	204,048	2.52
Reliance Dual Advantage Fixed Fund-Plan A	-	-	-	-	-	-	-	-	95,322	0.95	-	-
Total (D)	**141,740**	**1.45**	**186,755**	**122.11**	**237,808**	**5.60**	**429,493**	**5.23**	**549,154**	**6.56**	**313,724**	**3.73**
e. Investments in preference shares (Unquoted)												
Redeemable preference shares of Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) of Rs. 10 each fully paid up (Refer note 14 of Annexure XXXVI)	512,500	41.00	512,500	41.00	512,500	41.00	-	-	-	0.00	-	-
Total (E)	**512,500**	**41.00**	**512,500**	**41.00**	**512,500**	**41.00**	**-**	**-**	**-**	**-**	**-**	**-**
Total current investments (A+B+C+D+E)	**729,681**	**43.02**	**774,696**	**163.58**	**825,749**	**47.07**	**504,934**	**5.70**	**664,095**	**8.40**	**557,690**	**6.98**
Aggregate book value of quoted investments		**2.02**		**122.58**		**6.07**		**5.70**		**8.30**		**5.58**
Aggregate market value of quoted investments		**123.92**		**123.28**		**7.04**		**6.24**		**9.10**		**6.45**
Aggregate book value of unquoted investments		**41.00**		**41.00**		**41.00**		**-**		**0.10**		**1.40**
Aggregate provision for diminution in value of investments		**-**		**-**		**-**		**0.41**		**1.22**		**1.40**

Notes:

1) The Holding Company acquired 100% stake by acquiring 10,000 equity shares of Rs. 10 each fully paid up of S Chand Hotels Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Holding Company on March 30, 2013.
2) The Holding Company acquired 100% stake by acquiring 100,000 equity shares of Rs. 10 each fully paid up of SHAARA Hospitalities Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Holding Company on March 30, 2013.
3) The Holding Company acquired 100% stake by acquiring 10,000 equity shares of Rs. 10 each fully paid up of SC Hotel Tourist Deluxe Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Holding Company on March 30, 2013.
4) The Holding Company acquired 100% stake by acquiring 10,000 equity shares of Rs. 10 each fully paid up of S Chand Properties Private Limited for Rs. 10 each on May 18, 2011. All the shares were sold by the Holding Company on March 30, 2013.
5) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
6) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.
7) These investments are in the name of the Group.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXI - Restated consolidated statement of inventories

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Raw Materials (Refer Note 1 below)	411.67	109.67	188.09	188.22	87.23	27.96
Raw materials - others	5.93	-	-	-		-
Work in progress	58.49	31.52	26.09	20.41	10.44	50.75
Stores and spares	5.88	3.58	3.24	2.19	1.17	2.16
CDs	-	2.63	-	-	-	-
Finished Goods	2,025.82	1,252.75	979.53	628.14	500.74	343.39
	2,507.79	**1,400.15**	**1,196.95**	**838.96**	**599.58**	**424.26**
Less : Provision for slow & non moving raw materials (Refer Note 2 below)	(1.90)	(1.90)	-	-	-	-
Total	**2,505.89**	**1,398.25**	**1,196.95**	**838.96**	**599.58**	**424.26**

Notes:

1) Inventory as at December 31, 2016 includes Rs 18.30 million stock in transit.
2) DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) considers that there is no reduction in the net realizable value although it is slow moving.
3) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
4) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXII - Restated consolidated statement of cash and bank balances

(Amount in Rupees million)

Particulars	As at December 31, 2016		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current	Non - current	Current
a. Cash and cash equivalents												
Balances with banks:												
- On current accounts	-	197.25	-	223.23	-	177.54	-	157.54	-	112.95	-	18.39
- On escrow accounts	-	-	-	-	-	-	-	-	-	10.00	-	-
- Deposits with original maturity of less than three months	-	7.53	-	1.89	-	1.40	-	0.80	-	-	-	-
Cheques on hand	-	0.17	-	-	-	-	-	-	-	-	-	-
Cash in hand	-	6.64	-	13.36	-	30.36	-	15.42	-	13.53	-	6.42
Total (A)	**-**	**211.59**	**-**	**238.48**	**-**	**209.30**	**-**	**173.76**	**-**	**136.48**	**-**	**24.81**
b. Other bank balances												
Deposits with remaining maturity for more than twelve months	4.72	-	4.47	-	6.01	-	8.79	-	11.50	-	0.05	-
Deposits with remaining maturity for less than twelve months		32.80	-	5.77	-	3.94	-	2.27	-	0.68	-	5.38
Margin money deposits	4.71	-	23.02	-	7.85	-	2.12	-	0.36	-	-	-
	9.43	**32.80**	**27.49**	**5.77**	**13.86**	**3.94**	**10.91**	**2.27**	**11.86**	**0.68**	**0.05**	**5.38**
Amount disclosed under non- current assets (Refer Annexure XIX)	(9.43)	-	(27.49)	-	(13.86)	-	(10.91)	-	(11.86)	-	(0.05)	-
Total (B)	**-**	**32.80**	**-**	**5.77**	**-**	**3.94**	**-**	**2.27**	**-**	**0.68**	**-**	**5.38**
Cash and bank balances (A+B)	**-**	**244.39**	**-**	**244.25**	**-**	**213.24**	**-**	**176.03**	**-**	**137.16**	**-**	**30.19**

Notes:

1) In case of Holding Company, margin money deposit with a carrying amount of Rs 0.11 million is with sales tax authority as at March 31, 2015.

2) In case of Rajendra Ravindra Printers Private Limited:
   a) Margin money deposits with a carrying amount of Rs. 0.02 million are subject to Registration of UP VAT at Sahibabad for 5 years as at March 31, 2015 and March 31, 2014.
   b) Margin money deposits are subject to first charges to secure the company's bank guarantees with a carrying amount of Rs. 2.99million and Rs. 1.60 million as at March 31, 2015 and March 31, 2014 respectively.
   c) Fixed deposit of Rs. 3.52 million has been earmarked for repayment of buyer's credit as at March 31, 2015.

3) In case of BPI (India) Private Limited, margin money deposits are under lien with banks towards bank guarantees issued by them as at March 31, 2014.

4) In case of Vikas Publishing House Private Limited, margin money deposits is subject to first charge to secure the Company's bank guarantee of Rs. 0.52 million with a carrying amount of Rs. 0.30 million as at March 31, 2014.

   In case of Vikas Publishing House Private Limited, margin money deposit includes:

   a) Margin money deposit with a carrying amount of Rs. 30.14 million (March 31, 2016: Rs. 18.28 million) has been earmarked for the repayment of Buyer Credit taken from IndusInd Bank

   b) Margin money deposits with a carrying amount of Rs. 4.13 million (March 31, 2016: Rs. 4.03 million) are subject to first charges to secure the company's bank guarantees.

   c) Margin money deposits with carrying amount of Rs. 0.40 million (March 31, 2016: Rs. 0.38 million) is subject to Registration of UP VAT & DVAT.

   d) Margin money deposits with carrying amount of Rs. Nil (March 31, 2016: Rs. 0.16 million) has been earmarked against the Buyer Credit taken from Yes Bank.

   e) Margin money deposits with carrying amount of Rs. 2.53 million (March 31, 2016: Rs. Nil) has been earmarked against Letter of Credits.

5) In New Saraswati House (India) Private Limited, margin money deposit amounting to Rs. 0.02 million are under lien with bank towards bank guarantee issued by them as at March 31, 2015.

6) In DS Digital Private Limited, margin money deposit of Rs. 1.11 million has been given for penalty levied u/s 54(1) of U P. VAT Act as at March 31, 2015, 2014, 2013 and 2012. Appeal filed by DS Digital Private Limited is pending .

7) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

8) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIII - Restated consolidated statement of revenue from operations

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Sale of products						
Finished goods	1,409.15	5,269.55	4,696.21	3,663.05	2,783.13	1,690.14
Traded goods	41.25	59.97	31.36	38.46	22.73	8.34
	1,450.40	**5,329.52**	**4,727.57**	**3,701.50**	**2,805.86**	**1,698.48**
Less: turnover discount	(82.13)	(169.50)	(122.55)	(102.04)	(73.94)	(7.14)
Total (A)	**1,368.27**	**5,160.02**	**4,605.02**	**3,599.46**	**2,731.92**	**1,691.34**
Sale of services (B)	**117.57**	**205.77**	**147.89**	**91.59**	**54.96**	**31.53**
Other operating revenues						
Lease rent	-	-	2.58	2.28	0.57	5.16
Sale of paper	-	-	-	-	-	-
Scrap Sale	8.31	11.13	5.47	3.63	2.24	0.63
Training income	-	0.27	5.58	3.14	0.39	1.63
Miscellaneous income	0.90	0.35	0.03	-	-	-
Total (C)	**9.21**	**11.75**	**13.66**	**9.05**	**3.20**	**7.42**
Revenue from operations (net) (A+B+C)	**1,495.05**	**5,377.54**	**4,766.57**	**3,700.10**	**2,790.08**	**1,730.29**
Details of products sold						
Finished goods						
Sale - books (export)	18.93	31.91	43.09	41.89	58.13	57.13
Sale - books	1,373.47	5,212.72	4,623.45	3,561.43	2,663.72	1,633.01
Sale - e-books	3.68	2.09	0.48	-	-	-
Educational kits	13.07	22.83	29.19	59.73	61.28	-
	1,409.15	**5,269.55**	**4,696.21**	**3,663.05**	**2,783.13**	**1,690.14**
Traded goods						
Sale - books	3.25	14.85	23.86	29.05	18.88	0.02
CD and tab sales	-	-	0.01	0.29	3.57	7.83
Computer and peripherals	37.94	44.10	7.08	9.05	0.21	0.47
Go maths (Kit)	0.06	1.02	0.41	0.07	0.07	0.02
	41.25	**59.97**	**31.36**	**38.46**	**22.73**	**8.34**
Details of services rendered						
Content development charges	3.97	7.29	8.85	19.01	7.59	-
Royalty	1.43	8.98	6.04	7.90	8.19	-
License Fees	-	0.23	-	-	-	
Mobile application development support	-	5.78	-	-	-	-
Job work income	-	2.36	0.02	1.18	-	-
Customised interactive education services	101.97	170.44	127.55	53.02	37.11	22.05
Income from pre-school educational activity	10.15	8.34	5.43	2.50	2.07	1.28
Sale of warranty	-	0.59	-	-	-	-
Eureka science labs - set up fees	0.05	0.26	-	-	-	-
Sub - lease of license	-	-	-	7.98	-	-
Digital data management services	-	1.50	-	-	-	-
Room and messing sale	-	-	-	-	-	8.20
	117.57	**205.77**	**147.89**	**91.59**	**54.96**	**31.53**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIVA - Restated consolidated statement of items of other income

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012	Recurring/ Non - recurring	Related/ Not related to business activities
Other income								
Share in profit from partnership firm	-	-	-	-	-	0.13	Non - recurring	Non related
Duty drawback	1.43	1.23	2.04	1.82	2.50	1.20	Non - recurring	Related
Profit on sale of fixed assets	-	-	-	1.17	18.60	-	Non - recurring	Non related
Profit on sale of current investments (net)	5.74	17.27	0.29	0.76	0.01	-	Non - recurring	Non related
Exchange differences (net)	1.73	2.69	6.75	2.37	-	2.86	Non - recurring	Non related
Creditors written back	0.01	0.46	1.00	1.79	3.07	3.95	Non - recurring	Non related
Insurance claim received	-	1.57	0.82	-	-	6.06	Non - recurring	Non related
Dividend income	0.07	0.16	0.08	0.07	0.26	0.22	Non - recurring	Non related
Provision on diminution of investment written back	-	0.09	-	-	-	-	Non - recurring	Non related
Miscellaneous income	3.98	5.26	4.43	1.46	0.96	1.73	Non - recurring	Non related
Reversal of provision of doubtful debts	-	-	3.02	-	-	-	Non - recurring	Non related
Total	**12.96**	**28.73**	**18.43**	**9.44**	**25.40**	**16.15**		

Notes :

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIVB - Restated consolidated statement of items of interest income

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012	Recurring/ Non - recurring	Related/ Not related to business activities
Other income								
Interest income								
- on bank deposits	2.38	8.39	1.43	1.13	0.79	0.78	Non - recurring	Non related
- on others	0.10	0.90	2.72	4.48	2.46	0.12	Non - recurring	Non related
Total	**2.48**	**9.29**	**4.15**	**5.61**	**3.25**	**0.90**		

Notes :

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXV - Restated consolidated statement of cost of raw materials and components consumed

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Inventory at the beginning of the period/year	109.67	188.09	188.22	87.23	27.96	51.30
Inventory acquired on acquisition	35.24	-	33.71	-	28.52	-
Add : Purchases of published goods	139.58	238.05	59.50	2.00	0.59	209.93
Add : Purchases of raw material	1,079.28	1,425.29	1,152.84	1,176.07	632.37	455.82
Add : Purchases of other trading items	34.93	14.82	537.19	414.88	403.14	202.02
	1,398.70	**1,866.25**	**1,971.46**	**1,680.18**	**1,092.58**	**919.07**
Less: Inventory at the end of the period/year	411.67	109.67	188.09	188.22	87.23	27.96
Less: Inventory sold during the period/year	-	-	0.98	-	-	-
Cost of raw material consumed	**987.03**	**1,756.58**	**1,782.39**	**1,491.96**	**1,005.35**	**891.11**
Details of published goods/ raw material purchased						
Paper and glue	815.59	1,030.85	1,152.84	1,176.07	632.37	455.82
Printing and binding material	263.69	394.44	512.57	382.19	304.79	191.99
Books	139.58	238.05	59.50	2.00	0.59	209.93
Traded goods (including CDs and tablets)	34.93	14.82	24.26	25.71	96.02	8.12
Consumables	-	-	0.36	6.98	2.33	1.91
	1,253.79	**1,678.16**	**1,749.53**	**1,592.95**	**1,036.10**	**867.77**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXVI - Restated consolidated statement of purchase and implementation cost

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Traded imported stationery	-	7.46	13.89	-	-	-
Computer & peripherals	36.17	40.94	3.09	3.08	7.16	-
E-Books	0.45	-	0.06	-	-	-
Go Maths (Kit)	-	-	0.03	-	0.00	4.95
Science Labs (Kit)	-	0.63	-	-	-	-
Total	**36.62**	**49.03**	**17.07**	**3.08**	**7.16**	**4.95**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXVII - Restated consolidated statement of publication expenses

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Royalty	126.32	393.96	381.40	322.07	248.53	159.72
Processing charges	0.04	2.89	6.36	6.75	6.83	2.37
Block and composing	0.15	0.46	3.69	4.37	3.56	4.91
Editing charges	0.11	0.04	0.16	1.34	7.11	-
Freight and cartage expenses	6.43	8.20	7.59	-	-	-
Power and fuel*	36.36	48.13	41.16	40.95	16.81	1.84
Repairs and maintenance - machinery*	17.33	13.92	7.06	9.47	3.97	0.53
Consumption of stores and spares*	5.17	5.21	8.27	12.49	5.86	-
Other publication expenses	31.52	30.51	26.07	25.10	7.05	6.45
Total	**223.43**	**503.32**	**481.76**	**422.54**	**299.72**	**175.83**

*Directly attributable to printing of books

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXVIII - Restated consolidated statement of (Increase)/ decrease in inventories of finished goods, work in progress and traded goods

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Inventory at the end of the period/year						
Finished Goods	2,025.82	1,252.75	979.53	628.14	500.74	343.39
Work-in-progress	58.48	31.52	26.09	20.41	10.44	50.75
Inventory acquired on acquisition	-	-	-	-	-	-
Other items	5.88	3.58	3.24	2.19	1.17	2.16
	2,090.18	**1,287.85**	**1,008.86**	**650.74**	**512.35**	**396.30**
Inventory at the beginning of the period/year						
Finished goods	1,252.75	979.53	628.14	500.74	343.39	276.37
Inventory acquired on acquisition	121.61	-	114.67	-	236.21	-
Work-in-progress	31.52	26.09	20.41	10.44	8.38	30.36
Other items	3.58	3.24	2.19	1.17	2.16	-
	1,409.46	**1,008.86**	**765.41**	**512.35**	**590.14**	**306.73**
(Increase) / Decrease in Inventories*	**(680.72)**	**(278.99)**	**(243.45)**	**(138.39)**	**77.81**	**(89.57)**
Details of inventory						
Finished goods						
Manufactured goods						
Books	1,956.84	1,192.22	921.90	607.85	477.45	337.89
Educational kits	17.91	19.72	10.60	12.37	8.90	-
Traded Goods						
Books and E Books	42.14	30.52	35.56	6.41	6.75	-
CDs	-	-	-	-	-	0.98
Stationery	8.93	7.52	9.73	-	-	-
Computers and peripherals	-	1.80	0.61	0.89	7.00	0.51
Go Math Kit	-	0.97	1.13	0.62	0.64	4.01
	2,025.82	**1,252.75**	**979.53**	**628.14**	**500.74**	**343.39**
Work in progress						
Books	-	-	0.07	4.62	8.25	50.75
Printed material for books	56.63	28.17	25.33	12.94	-	-
Educational kits	1.85	3.35	0.69	2.85	2.19	-
	58.48	**31.52**	**26.09**	**20.41**	**10.44**	**50.75**
***Raw material (not included in above)**	**411.67**	**93.68**	**180.00**	**187.14**	**85.31**	**27.41**
Paper	411.67	93.17	175.07	184.45	82.94	27.41
Toys	-	0.98	1.18	1.03	-	-
Others	-	2.16	3.75	1.66	2.37	-
Stores and spares	**5.88**	**3.58**	**3.24**	**2.19**	**1.17**	**2.16**
General items	**-**	**-**	**-**	**-**	**-**	**0.55**
Printing material	**-**	**15.99**	**8.09**	**1.08**	**-**	**-**
Scrap items	**-**	**-**	**-**	**-**	**1.92**	**-**
	417.55	**115.88**	**191.33**	**190.41**	**88.40**	**30.12**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXIX - Restated consolidated statement of selling and distribution expenses

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Advertisement, publicity and exhibition	122.88	114.46	109.73	65.90	43.19	40.43
Freight and cartage outward	80.71	132.89	112.73	102.60	59.83	35.42
Packing and despatch expenses	21.29	49.64	34.58	26.04	19.19	10.21
Lease rent (vehicles)	3.31	2.29	2.65	3.30	2.65	2.07
Sales commission	-	-	-	0.76	1.07	0.93
Travelling and conveyance	113.03	142.76	127.83	84.30	57.15	33.38
Books workshop expenses	7.69	3.89	4.04	4.79	2.74	-
Vehicle running and maintenance	15.74	22.35	20.94	20.29	16.05	14.26
Rebate and discount	41.77	58.34	43.57	35.73	19.29	44.05
Total	**406.42**	**526.62**	**456.07**	**343.71**	**221.16**	**180.75**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXX - Restated consolidated statement of employee benefits expenses

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Salaries, wages and bonus	723.53	822.65	688.32	455.68	302.17	164.93
Contribution to provident and other funds	44.58	52.95	43.50	29.55	20.57	16.39
Gratuity expenses (Refer Note 4 Annexure XXXVI)	22.83	13.07	25.63	11.94	5.75	4.36
Employee stock option expenses	9.33	5.12	-	-	-	-
Staff welfare expenses	35.44	48.04	46.03	29.59	24.77	14.45
Total	**835.71**	**941.83**	**803.48**	**526.77**	**353.24**	**200.11**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXI - Restated consolidated statement of other expenses

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Rent - office	131.11	161.63	133.04	78.24	67.54	25.39
Repairs and maintenance						
- Plant	0.45	0.63	0.94	1.39	0.94	1.03
- Building	2.82	6.57	4.00	7.49	2.46	1.60
- Others	41.18	42.29	36.76	15.70	14.22	13.11
Insurance	10.61	11.47	11.20	8.29	3.13	3.43
Rates and taxes (excluding taxes on income)	5.29	4.74	7.04	5.43	2.29	1.19
Communication cost	28.91	33.87	27.54	18.31	12.08	8.44
Printing and stationery	6.14	6.86	8.97	7.43	4.83	2.86
Legal and professional fees	37.88	85.66	60.23	33.53	73.42	8.66
Donations	0.00	0.09	0.39	10.63	3.66	0.41
Auditors' remuneration:						
- Audit fee	14.09	10.88	8.05	5.44	3.70	1.08
Foreign exchange fluctuation (net)	-	-	-	-	0.87	3.78
Provision for doubtful debts and advances	68.03	45.88	9.67	19.42	19.00	4.09
Bad debts written off	1.53	5.72	1.11	0.37	7.83	4.52
Loss on sale of fixed Assets (net)	5.35	1.60	0.08	-	-	1.38
Loss on sale of investments	-	-	-	-	-	0.01
Provision for diminution in investment	-	-	-	0.47	0.08	1.40
Provision for sales return	-	45.60	16.29	-	-	-
Investments written off - - - - 0.41 - 1.22 0.26 -						
Less: Investments written off against opening provision - - - - (0.41) - (1.22) - - 0.26 - -						
Advances written off	0.20	0.10	0.07	2.55	-	-
Provision for slow and non moving raw materials	-	1.90	-	-	-	-
Water and electricity charges	16.11	19.93	15.80	7.20	6.42	6.25
Recruitment expenses	2.13	2.78	2.55	0.38	0.51	-
Office expenses	17.88	16.62	16.39	9.77	6.07	4.43
Security charges	19.36	19.69	15.11	11.39	8.21	6.43
Managerial expenses	-	-	10.47	5.41	6.01	6.69
Outsource services	36.33	41.14	18.80	5.01	-	-
Commission and brokerage	-	0.16	0.63	0.24	-	-
Cash discount	58.47	30.56	25.87	-	-	-
Lease charges- operating	0.68	1.53	1.40	-	-	-
Corporate social responsibility expenses (Refer Note 10 of Annexure XXXVI)	8.87	7.69	4.16	-	-	-
Warranty expenses on tablets	-	0.52	-	-	-	-
Amount written-off due to reconciliation adjustment	-	2.26	-	-	-	-
Demerger expenses written off	-	-	-	-	-	2.39
Preliminary expenses written off	-	-	-	-	-	0.25
Director sitting fees	0.35	-	-	-	-	-
Impairment loss on intangible assets (Refer note 1 below)	4.03	-	-	-	-	-
Miscellaneous expenses	17.40	17.35	10.69	7.98	8.91	3.37
Total	**535.20**	**625.72**	**447.25**	**262.07**	**252.44**	**112.19**

Notes:

1) In S Chand and Edutech Private Limited, intangibles were not generating revenue and are not transferable, hence the impairment loss has been booked against such intangibles.
2) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXII - Restated consolidated statement of finance costs

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest expense						
- on term loan	52.88	80.83	105.64	14.72	28.64	17.61
- on others	151.93	212.49	168.19	76.22	56.13	37.70
			-	-	-	-
Bank charges	4.69	6.01	3.38	2.89	1.63	1.14
Processing fees	16.33	0.28	0.41	0.75	1.33	2.22
Amortisation of ancillary borrowing cost	1.43	6.22	4.98	-	-	-
Total	**227.26**	**305.83**	**282.60**	**94.58**	**87.73**	**58.67**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXXIIIA - Restated consolidated statement of accounting ratios (before considering the impact of change in face value of equity shares from Rs. 1,000 per share to Rs. 10 per share during the year ended March 31, 2013 and from Rs. 10 per share to Rs. 5 per share and bonus issue during the nine months period ended December 31, 2016)

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Basic earnings per share (Refer Note 1(a) below)	A/C	(30.06)	2,530.76	1,557.53	2,599.55	2,465.03	146,767.01
Diluted earnings per share (Refer Note 1(b) below)	A/D	(30.06)	2,525.77	1,557.53	2,456.69	2,376.62	146,767.01
Return on net worth (Refer Note 1(c) below)	A/B	-17.72%	7.82%	7.00%	11.86%	11.55%	16.66%
Net asset value per equity share (Refer Note 1(d) below)	B/E	169.70	29,578.73	22,251.43	20,706.23	17,202.17	881,008.99
Net profit/(loss) after tax, as restated, attributable to equity shareholders	A	(897.20)	466.37	268.45	423.42	323.37	146.91
Net worth at the end of the period/year	B	5,064.60	5,964.61	3,835.10	3,568.78	2,800.10	881.89
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share (in millions)	C	29.84	0.18	0.17	0.16	0.13	0.00
Effect of dilution:							
Stock option granted under ESOP (in millions)		0.05	0.00	-	-	-	-
Compulsory convertible debentures (in millions)		-	-	-	0.01	0.00	-
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share (in millions)	D	**29.89**	**0.18**	**0.17**	**0.17**	**0.14**	**0.00**
Face value per share (Rs.)		5	10	10	10	10	1,000
Total number of shares outstanding at the end of the period/year (in millions)	E	29.84	0.20	0.17	0.17	0.16	0.00

Notes:

1) Ratios have been computed as per the following formulas:

(a) Basic earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year

(b) Diluted earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend

(d) Net asset value per equity share (Rs.) = Net worth at the end of the year (excluding preference share capital and cumulative preference dividend), as restated / Total number of equity shares outstanding at the end of period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.
4) Net worth for ratios mentioned in note 1(c) and 1(d) is sum of paid up share capital and free reserves including securities premium account and excluding capital reserves.
5) There are potential equity shares in the form of stock options granted to employees. For the period ended December 31, 2016, as these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.
6) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the Group.
7) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXXIIIB - Restated consolidated statement of accounting ratios (after considering the impact of changes in the face value of equity shares from Rs. 1,000 per share to Rs. 10 per share during the year ended March 31, 2013 but before considering the impact of change in face value of equity shares from Rs. 10 per share to Rs. 5 per share and bonus issue during the nine months period ended December 31, 2016)

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Basic earnings per share (Refer Note 1(a) below)	A/C	(30.06)	2,530.76	1,557.53	2,599.55	2,465.03	1,467.67
Diluted earnings per share (Refer Note 1(b) below)	A/D	(30.06)	2,528.91	1,557.53	2,456.69	2,376.62	1,467.67
Return on net worth (Refer Note 1(c) below)	A/B	-17.72%	7.82%	7.00%	11.86%	11.55%	16.66%
Net asset value per equity share (Refer Note 1(d) below)	B/E	169.70	29,578.73	22,251.43	20,706.23	17,202.17	8,810.09
Net profit/(loss) after tax, as restated, attributable to equity shareholders	A	(897.20)	466.37	268.45	423.42	323.37	146.91
Net worth at the end of the period/year	B	5,064.60	5,964.61	3,835.10	3,568.78	2,800.10	881.89
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share (in millions)	C	29.84	0.18	0.17	0.16	0.13	0.10
Effect of dilution:							
Stock option granted under ESOP (in millions)		0.05	0.00	-	-	-	-
Compulsory convertible debentures (in millions)		-	-	-	0.01	0.00	-
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share (in millions)	D	**29.89**	**0.18**	**0.17**	**0.17**	**0.14**	**0.10**
Face value per share (Rs.)		5	10	10	10	10	10
Total number of shares outstanding at the end of the period/year (in millions)	E	29.84	0.20	0.17	0.17	0.16	0.10

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year

(b) Diluted earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend

(d) Net asset value per equity share (Rs.) = Net worth at the end of the period/year (excluding preference share capital and cumulative preference dividend), as restated / Total number of equity shares outstanding at the end of period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.
4) Net worth for ratios mentioned in note 1(c) and 1(d) is sum of paid up share capital and free reserves including securities premium account and excluding capital reserves.
5) For the purpose of computation of the above ratios, impact of split of one equity share of Rs. 1,000 each into 100 equity shares of Rs. 10 each fully paid up has been considered (Equity shares were split on June 30, 2012 via resolution passed at Extra-ordinary General Meeting (EGM) dated June 30, 2012).
6) There are potential equity shares in the form of stock options granted to employees. For the period ended December 31, 2016, as these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.
7) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the Group.
8) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)

Annexure XXXIIIC - Restated consolidated statement of accounting ratios (after considering the impact of change in face value of equity shares from Rs. 1,000 per share to Rs. 10 per share during the year ended March 31, 2013 and from Rs. 10 per share to Rs. 5 per share and bonus issue during the nine months period ended December 31, 2016)

(Amount in Rupees million)

Particulars		For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Basic earnings per share (Refer Note 1(a) below)	A/C	(30.06)	17.10	10.52	17.56	16.66	9.92
Diluted earnings per share (Refer Note 1(b) below)	A/D	(30.06)	17.09	10.52	16.60	16.06	9.92
Return on net worth (Refer Note 1(c) below)	A/B	-17.72%	7.82%	7.00%	11.86%	11.55%	16.66%
Net asset value per equity share (Refer Note 1(d) below)	B/E	169.70	199.86	150.35	139.91	116.23	59.53
Net profit/(loss) after tax, as restated, attributable to equity shareholders	A	(897.20)	466.37	268.45	423.42	323.37	146.91
Net worth at the end of the period/year	B	5,064.60	5,964.61	3,835.10	3,568.78	2,800.10	881.89
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share (in millions)	C	29.84	27.27	25.51	24.11	19.42	14.81
Effect of dilution:							
Stock option granted under ESOP (in millions)		0.05	0.02	-	-	-	-
Compulsory convertible debentures (in millions)		-	-	-	1.40	0.72	-
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share (in millions)	D	**29.89**	**27.29**	**25.51**	**25.51**	**20.14**	**14.81**
Face value per share (Rs.)		5	5	5	5	5	5
Total number of shares outstanding at the end of the period/year (in millions)	E	29.84	29.84	25.51	25.51	24.09	14.81

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year

(b) Diluted earnings per share (Rs.) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit/(loss) after tax (after preference dividend and related tax), as restated, attributable to equity shareholders / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend

(d) Net asset value per equity share (Rs.) = Net worth at the end of the period/year (excluding preference share capital and cumulative preference dividend), as restated / Total number of equity shares outstanding at the end of period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.
3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.
4) Net worth for ratios mentioned in note 1(c) and 1(d) is sum of paid up share capital and free reserves including securities premium account and excluding capital reserves.
5) For the purposes of computation of the above ratios, the impact of split of one equity share of Rs. 10 each into 2 equity shares of Rs. 5 each fully paid up and issue of bonus shares in the ration of 73:1 has been considered (Equity Shares were split and bonus shares were issued on April 20, 2016 via resolution passed at Extra-ordinary General Meeting (EGM) dated April 20, 2016).
6) There are potential equity shares in the form of stock options granted to employees. For the period ended December 31, 2016, as these are anti dilutive, they are ignored in the calculation of diluted earning per share and accordingly the diluted earning per share is the same as basic earnings per share.
7) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the Group.
8) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXIV - Consolidated capitalisation statement

(Amount in Rupees million)

Particulars	Pre-issue as at December 31, 2016	As adjusted for issue (Refer note 7 below)
Debt		
Short term borrowings (A)	1,831.08	
Long term borrowings (B)	2,345.95	
Total borrowings (C=A+B)	**4,177.03**	
Shareholders' funds		
Share capital	149.22	
Reserves and surplus, as restated:		
Capital reserve	26.91	
General reserve	617.21	
Securities premium account	3,491.71	
Employee stock options outstanding	14.45	
Surplus in the statement of profit and loss	792.01	
Total shareholders' funds (D)	**5,091.50**	
Long term debt/ equity (B/D)	**0.46**	
Total Debt/ equity (C/D)	**0.82**	

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.
3) Long term debt / equity has been computed as = Long term borrowings / Total shareholders' funds
4) Total debt / equity has been computed as = Total borrowings / Total shareholders' funds
5) Short term borrowings represents borrowings due within 12 months from the balance sheet date.
6) Long term borrowings represents borrowings due after 12 months from the balance sheet date and also includes current maturities of long term borrowings.
7) The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence, the same have not been provided in the above statement.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXV – Consolidated statement of dividend declared and paid

(Amount in Rupees million)

Particulars	For nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Issued number of shares on which dividend has been paid(in millions)	0.40	0.20	0.17	0.16	0.00	0.00
Face value per share (Rs.)	5	10	10	10	1,000	1,000
Rate of dividend	500%	-	-	250%	250%	250%
Amount of dividend per share (Rs.)	25	-	-	25	2,500	2,500
Total amount of dividend	10.08	-	-	4.07	2.50	2.50
Total dividend tax	2.05	-	-	0.66	0.41	0.42

Notes:

1) Dividend proposed by the Board of Directors for years ended March 31, 2011, March 31, 2012 and March 31, 2013 has been considered as non-adjusting event as at respective year ends and has been adjusted against opening reserves and surplus as at April 01, 2011 and reserves and surplus for the years ended March 31, 2012, March 31, 2013 and March 31, 2014 respectively as per requirement of Revised AS-4.
2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the Company.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV, V and XXXVI.

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Leases

Operating Lease - Group as lessee

a. The Group has taken premises for office use under cancellable operating lease agreements. These lease have average life of between one to nine years. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Lease rent - office	128.94	150.22	125.78	79.79	66.93	24.98

b. The Group has taken certain vehicles for office use under cancellable operating lease agreements. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Lease rent - vehicles	1.37	2.29	2.65	3.30	2.65	2.07

c. The Group has taken certain machinery for office use under cancellable operating lease agreements. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Lease rent - machinery	-	8.31	5.85	3.63	-	-

d. The Group has taken premises for factory use under operating lease agreements. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of profit and loss in respect of such lease agreements are as follows:

(Amount in Rupees million)

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Lease rent - factory	1.84	3.10	2.81	2.47	0.00	0.00

e. Future minimum rentals payables under non-cancellable operating leases are as follows :

(Amount in Rupees million)

Particulars	As at Dec 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Within one year	55.96	58.86	54.99	1.76	0.36	0.37
After one year but not more than five years	182.81	172.53	175.93	0.56	-	0.36
More than five years	41.34	84.15	112.99	-	-	-
	280.11	**315.54**	**343.91**	**2.32**	**0.36**	**0.73**

Finance Lease - Group as lessee

The group has finance leases contracts for computers and peripherals. These leases involve significant upfront lease payment, have terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

(Amount in Rupees million)

Particulars	As at Dec 31, 2016 Present value of MLP	As at March 31, 2016 Present value of MLP	As at March 31, 2015 Present value of MLP	As at March 31, 2014 Present value of MLP	As at March 31, 2013 Present value of MLP	As at March 31, 2012 Present value of MLP
Within one year	-	-	6.71	6.40	-	-
	-	**-**	**6.71**	**6.40**	**-**	**-**
Less: amount representing finance charge	-	-	0.30	-	-	-
	-	-	**6.40**	**6.40**	-	-

2. Contingent liabilities

(Amount in Rupees million)

Particulars	As at Dec 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Bank guarantees (Refer Note 'a' below)	-	-	18.16	19.08	13.06	17.32
Corporate guarantee (Refer note 'a' below)	-	-	-	9.04	128.28	402.40
Income tax demand (Refer note 'b' below)	67.58	67.48	0.57	0.57	0.57	0.57
VAT claim by U. P. VAT Act (Refer note 'c' below)	1.65	1.65	1.65	0.80	0.80	-
Service tax (Refer note 'd' below)	-	-	0.21	-	-	-
Stamp duty (Refer Note 'e' below)	95.01	95.01	-	-	-	-
Registration fee (Refer Note 'e' below)	9.15	-	-	-	-	-
	173.40	**164.14**	**20.59**	**29.49**	**142.71**	**420.29**

a. Corporate guarantee as at March 31, 2012 includes guarantee given by the Holding Company to banks and financial institutions against loans taken by Atlantic Hotels Private Limited and Rajendra Ravindra Printers Private Limited and to third party on behalf of its jointly controlled entity, DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited).

Corporate guarantee as at March 31, 2013 includes guarantee given by the Holding Company to banks and financial institutions against loans taken by its jointly controlled entity, DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) and against loan co- borrowed by the Holding Company along with Mrs. Savita Gupta (prime borrower) and SC Hotel Tourist Deluxe Private Limited, Himanshu Gupta and Ankita Gupta.

Corporate guarantee as at March 31, 2014 includes guarantee given by the Holding Company to banks and financial institutions against loans taken by its jointly controlled entity, DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited).

b. i) In Holding Company, in respect of Assessment Year 2006-2007, demand was raised due to disallowance of certain expenses under section 14A of the Income Tax Act and also certain penalty proceedings on the above issue. The matter is pending with the Assessing officer. In respect of Assessment Year 2014-2015, demand was raised due to disallowance of certain expenses under section 36(1)(va) of the Income Tax Act. The matter is pending with CIT(A). The amount involved is Rs. 0.1 million (31 March 2016: Nil).

ii) In Nirja Publishers and Printers Private Limited, income tax demand as at December 31, 2016 and March 31, 2016 includes demand for Assessment Year 2012-13 of Rs. 35.44 million and for Assessment Year 2011-12 of Rs. 31.47 million (net of amount paid under protest of Rs. 8.00 million). The case is pending with CIT (A) and ITAT for Assessment Year 2012-13 and Assessment Year 2011-12 respectively.

The group is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

c. In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), claims against the entity not acknowledged as debts includes VAT claim by UP VAT authorities. The entity has paid Rs. 1.10 million for levy of penalty under section 54(1) of UP VAT Act. The amount paid is included under security deposits as at December 31, 2016, March 31, 2016 and March 31, 2015 (March 31, 2014 and March 31, 2013 : Rs. 0.79 million [proportionate share in jointly controlled entity]) in Annexure XVII. The entity was in the process of filing an appeal as at March 31, 2013. Appeal filed by the entity is pending as at March 31, 2014, March 31, 2015, March 31, 2016 and December 31, 2016.

d. The management of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) is taking legal opinion regarding the credit of the cenvat input. Pending the same the liability is not provided as at March 31, 2015.

e. During the year ended March 31, 2016, the Holding Company received notice under Indian Stamp Act, 1899 for non-payment of stamp duty on transfer of property on amalgamation and demerger held in the financial year 2011-12 as described in detail in Note 17 of this Annexure. The district registrar contented that order of Hon'ble High Court for amalgamation and demerger does not grants exemption in respect of payment of stamp duty.

During the nine months period ended December 31, 2016, the Holding Company has also received a demand notice from the Sub-Registrar under section 80A of the Registration Act, 1908 wherein the authority has directed the Holding Company to pay additional registration fee of Rs. 9.15 million.

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

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3. Related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified by MCA is given as under:

Names of related parties and related party relationship

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
a. Related parties where control exists:						
Subsidiary companies	-	-	-	-	-	SHAARA Hospitalities Private Limited*
	-	-	-	-	-	S Chand Hotels Private Limited*
	-	-	-	-	-	SC Hotel Tourist Deluxe Private Limited*
	-	-	-	-	-	S Chand Properties Private Limited*
*Refer Note 18 of this Annexure.						
b. Related parties under AS 18 with whom transactions have taken place during the period/year:						
Associate companies	-	-	-	-	Blackie & Sons (Calcutta) Private Limited (till Sept 25, 2012)	Blackie & Sons (Calcutta) Private Limited (w.e.f. March 22, 2012)
	Edutor Technologies India Private Limited	Edutor Technologies India Private Limited	Edutor Technologies India Private Limited (w.e.f September 06, 2014)	-	-	-
Joint venture	-	-	Education Media and Publishing Group International (EMPGI) (till July 07, 2014)	Education Media and Publishing Group International (EMPGI)	Education Media and Publishing Group International (EMPGI)	Education Media and Publishing Group International (EMPGI)
Investing party in subsidiary company	Ventureskies, FZE (Deregistered)	Ventureskies, FZE (Deregistered)	Ventureskies, FZE (Deregistered)	Ventureskies, FZE	Ventureskies, FZE	Ventureskies, FZE
Enterprises over which shareholders', key management personnel or their relatives exercise significant influence	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)	Hotel Tourist (Partnership Firm)
	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP	Raasha Entertainment & Leisure LLP
	-	S Chand Hotels Private Limited	S Chand Hotels Private Limited	S Chand Hotels Private Limited	S Chand Hotels Private Limited	S Chand Hotels Private Limited
	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited	SC Hotel Tourist Deluxe Private Limited
	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited	S Chand Properties Private Limited
	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited	SHAARA Hospitalities Private Limited
	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust	Shyam Lal Charitable Trust
	Shyam Lal Nursing Home & Medical Research Centre Private Limited	Shyam Lal Nursing Home & Medical Research Centre Private Limited	Shyam Lal Nursing Home & Medical Research Centre Private Limited	-	-	-
	-	-	Ane Books Private Limited	Ane Books Private Limited	Ane Books Private Limited	-
	-	-	Global Knowledge Network Society (Till August 11, 2015)	Global Knowledge Network Society	Global Knowledge Network Society	Global Knowledge Network Society
	-	Orange Associates Private Limited (till March 07, 2016)	Orange Associates Private Limited (formerly known as Saraswati House Private Limited (w.e.f May 17,	-	-	-
	-	-	Prolific Papers Private Limited	-	-	-
	-	Orange Education Private Limited (till March 07, 2016)	Orange Education Private Limited	-	-	-
	Amenity Public School	Amenity Public School	-	-	-	-
	-	Motif	-	Motif	Motif	-
	Smartivity Labs Private Limited	Smartivity Labs Private Limited (w.e.f. August 05, 2015)				
	-	-	-	-	-	-
	-	-	-	JSR Marketing Private Limited (formerly known as S Chand Technologies Private Limited)	JSR Marketing Private Limited (formerly known as S Chand Technologies Private	S Chand Technologies Private Limited
	-	-	-	-	UBS Publishers Distributors Private Limited (till October 10, 2012)	-
	-	-	-	-	IACT Global Education Private Limited (till 10 October 2012)	-
	-	-	-	-	Rajendra Ravindra Printers Private Limited (till Sept 23, 2012)	Rajendra Ravindra Printers Private Limited
	-	-	-	-	Eurasia Publishing House Private Limited (till Sept 23, 2012)	Eurasia Publishing House Private Limited
	-	-	-	-	Arch Papier Mache Private Limited (till Sep 23, 2012)	Arch Papier Mache Private Limited
	-	-	-	-	BPI (India) Private Limited (till Sept 23,	BPI (India) Private Limited
	-	-	-	-	-	Blackie & Sons (Calcutta) Private Limited (till March 21, 2012)
	-	-	-	-	-	S Chand and Company (Partnership Firm)
	-	-	-	-	-	Rajendra Kumar and Nirmala Gupta Charitable Trust
	-	-	-	-	-	Creative Composer
	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited	RKG Hospitalities Private Limited

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3. Related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified by MCA is given as under:

Names of related parties and related party relationship

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Key managerial personnel (KMP) (including KMP of group companies)	Mrs. Nirmala Gupta - Chair Person and Managing Director (Upto May 20, 2016)	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director	Mrs. Nirmala Gupta - Chair Person and Managing Director
	Mrs. Savita Gupta- Wholetime Director and Vice Chair Person (Upto May 20, 2016)	Mrs. Savita Gupta- Wholetime Director and Vice Chair Person	Mrs. Savita Gupta- Wholetime Director and Vice Chair Person	Mrs. Savita Gupta- Wholetime Director and Vice Chair Person	Mrs. Savita Gupta- Wholetime Director and Vice Chair Person	Mrs. Savita Gupta- Wholetime Director and Vice Chair Person
	Mrs. Savita Gupta- Director (w.e.f May 20, 2016)	-	-	-	-	-
	Mr. Himanshu Gupta - Joint Managing Director (Upto May 20,	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director	Mr. Himanshu Gupta - Joint Managing Director
	Mr. Himanshu Gupta - Managing Director (w.e.f. May 20, 2016)	-	-	-	-	-
	Mrs. Ankita Gupta - Director	Mrs. Ankita Gupta - Wholetime Director	Mrs. Ankita Gupta - Wholetime Director	Mrs. Ankita Gupta - Wholetime Director	Mrs. Ankita Gupta - Wholetime Director	Mrs. Ankita Gupta - Wholetime Director
	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance (Upto May 20, 2016)	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance	Mr. Dinesh Kumar Jhunjhnuwala - Vice Chairman and Director Finance
	Mr. Dinesh Kumar Jhunjhnuwala - Whole time director (w.e.f May 20, 2016)	-	-	-	-	-
	Mrs. Neerja Jhunjhnuwala - Director	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Whole time Director	Mrs. Neerja Jhunjhnuwala - Director
	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director	Mr. Gaurav Jhunjhnuwala - Director
	Mr. Saurabh Mittal - Chief Finance Officer	Mr. Saurabh Mittal - Chief Finance Officer	Mr. Saurabh Mittal - Chief Finance Officer (w.e.f. May 22, 2014)			
	Mr. Jagdeep Singh - Company Secretary	Mr. Jagdeep Singh - Company Secretary (w.e.f. December 30, 2015)	-	-	-	-
	-	Mr. Atul Gupta - Director (till March 07, 2016)	Mr. Atul Gupta - Director	-	-	-
	-	-	Love Kumar Kathuria - Director	-	-	-
	-	-	Kuldeep Chand Ganjwal - Director	-	-	-
	Mr. Jai Saxena - Director	Mr. Jai Saxena - Director	Mr. Jai Saxena - Director	Mr. Jai Saxena - Director	Mr. Jai Saxena - Director	-
	Mrs. Vidya Saxena - Director	Mrs. Vidya Saxena - Director	Mrs. Vidya Saxena - Director	Mrs. Vidya Saxena - Director	Mrs. Vidya Saxena - Director	-
	-	-	Ilario Lyubenov Astinov - Shareholder	Ilario Lyubenov Astinov - Shareholder	Ilario Lyubenov Astinov - Shareholder	Ilario Lyubenov Astinov - Shareholder
	-	-	Mr. Amit Gupta - Director	Mr. Amit Gupta - Director	Mr. Amit Gupta - Director	Mr. Amit Gupta - Director
	-	-	Mr. Ulrich Scholten - Director	Mr. Ulrich Scholten - Director	Mr. Ulrich Scholten - Director	Mr. Ulrich Scholten - Director
	-	-	Mr. Deep Mishra - Director	Mr. Deep Mishra - Director	Mr. Deep Mishra - Director	-
	-	-	-	Mr. Sethuram Punathembkar Shankarprasad - Director	Mr. Sethuram Punathembkar Shankarprasad - Director	-
	-	-	Mr. Vishal Sharma - Director	-	-	-
	-	-	Mr. Vinay Sharma - Director	-	-	-
	-	-	Ms. Ratna Nair Mehta - Director	-	-	-
	-	-	Mr. Prem Kumar - Director	Mr. Prem Kumar - Director	Mr. Prem Kumar - Director	Mr. Prem Kumar - Director
	-	-	Mr. Ashwani Kumar - Director	Mr. Ashwani Kumar - Director	Mr. Ashwani Kumar - Director	Mr. Ashwani Kumar - Director
	Mr. Sumit Biswas (w.e.f December 5, 2016)	-	-	-	-	-
Relative of key managerial personnel	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director	Mr. Ravindra Kumar Gupta - Relative of Director
	-	Mr. Ankur Gupta - Relative of Director (till March 07, 2016)	Mr. Ankur Gupta - Relative of Director	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(A). Transactions with related parties during the relevant period/year

(Amount in Rupees million)

Party Name	Nature of transactions	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Associate companies							
Blackie & Sons (Calcutta) Private Limited	Purchases	-	-	-	-	4.95	5.70
Edutor Technologies India Private Limited	Other expenses paid (reimbursement)	0.11	0.07	0.03	-	-	-
	Purchase of fixed assets	-	-	1.67	-	-	-
	Purchases	3.19	-	-	-	-	-
	Sale of books/paper/services	0.28	3.43	2.11	-	-	-
	Investments made during the period/year	-	92.17	-	-	-	-
Enterprises over which shareholders', key management personnel or their relatives exercise significant influence:							
Hotel Tourist (Partnership Firm)	Purchases	3.37	5.05	8.43	6.58	3.75	3.64
	Other expenses paid (reimbursement)	-	0.06	-	1.61	0.30	-
	Staff welfare expenses	1.18	1.67	1.83	1.40	0.91	-
	Sale of books/paper/services	-	-	0.02	-	-	-
	Rent expense	-	-	-	0.48	0.42	-
	Tour and travel expenses	0.01	-	-	-	-	-
SC Hotel Tourist Deluxe Private Limited	Rent expense	7.21	9.57	6.82	-	-	-
	Purchases	0.95	1.63	0.71	0.02	0.65	1.34
	Sale of books/paper/services	-	0.04	0.01	-	-	-
	Staff welfare expenses	-	-	0.56	-	-	-
	Other expenses paid (reimbursement)	-	0.36	0.36	0.54	0.27	-
	Expenditure capitalised during construction	-	-	0.80	-	-	-
S Chand Hotels Private Limited	Purchases	-	0.85	0.97	-	0.02	-
	Other expenses paid (reimbursement)	-	0.00	0.01	0.00	0.35	-
Shyam Lal Charitable Trust	Other expenses paid (reimbursement)	0.01	0.01	0.05	0.10	0.55	-
	Purchase of books/ CDs	-		-	-	1.14	3.18
	Corporate social responsibility expenses	-	1.50	0.70	-	-	-
S Chand Properties Private Limited	Other expenses paid (reimbursement)	-	0.02	0.85	0.20	2.98	-
	Rent expense	21.62	28.60	31.11	35.06	39.76	5.22
	Security deposits given	-	-	-	-	13.32	-
SHAARA Hospitalities Private Limited	Other expenses paid (reimbursement)	-	-	0.01	0.00	0.08	-
Raasha Entertainment & Leisure LLP	Other expenses paid (reimbursement)	-	-	0.16	0.06	-	-
	Purchases	-	-	-	-	0.05	-
Shyam Lal Nursing Home & Medical Research Centre Private Limited	Other expenses paid (reimbursement)	-	-	-	0.11	-	-
	Rent expense	0.41	-	1.28	-	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(A). Transactions with related parties during the relevant period/year

(Amount in Rupees million)

Party Name	Nature of transactions	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Rajendra Ravindra Printers Private Limited	Printing/binding charges paid	-	-	-	-	57.96	128.04
	Rent income	-	-	-	-	0.57	1.04
Eurasia Publishing House Private Limited	Purchases	-	-	-	-	43.79	103.39
BPI (India) Private Limited	Purchases	-	-	-	-	3.61	12.48
	Sale of books/paper/services	-	-	-	-	0.40	0.10
JSR Marketing Private Limited (formerly known as S Chand Technologies Private Limited)	Other expenses paid (reimbursement)	-	-	-	0.04	-	-
	Purchases	-	-	-	-	-	2.99
	Sale of books/paper/services	-	-	-	-	-	1.68
	Advance subscription paid	-	-	-	-	-	21.05
	Loans given	-	-	-	-	7.96	-
Prolific Papers Private Limited	Purchases	-	-	0.76	-	-	-
Smartivity Labs Private Limited	Investments made during the period/year (Preference shares)	9.49	6.14	-	-	-	-
	Investments made during the period/year (Equity shares)	0.52	0.00	-	-	-	-
	Purchases	0.20	-	-	-	-	-
Orange Associates Private Limited (formerly known as Saraswati House Private Limited	Rent expense	-	8.14	8.71	-	-	-
Orange Education Private Limited	Rent expense	-	0.01	2.89	-	-	-
Global Knowledge Network Society	Other expenses paid (reimbursement)	-	-	-	0.13	0.10	-
M/s Motif	Purchases	-	-	-	-	0.19	-
	Sale of fixed assets	-	0.14	-	-	-	-
Ane Books Private Limited	Purchases	-	-	-	1.05	-	-
UBS Publishers Distributors Private Limited	Purchases	-	-	-	-	0.01	-
	Sale of books/paper/services	-	-	-	-	71.48	-
	Rent income	-	-	-	-	0.02	-
IACT Global Education Private Limited	Sale of books/paper/services	-	-	-	-	0.08	-
Blackie & Sons (Calcutta) Private Limited	Purchases	-	-	-	-	-	9.39
Amenity Public School	Sale of books/paper/services	-	0.14	-	-	-	-
RKG Hospitalities Private Limited	Interest expense	-	-	-	0.34	-	0.91

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(A). Transactions with related parties during the relevant period/year

(Amount in Rupees million)

Party Name	Nature of transactions	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Investing party in subsidiary company							
Ventureskies, FZE (Deregistered)	Purchases	-	-	-	-	-	2.10
Key managerial personnel							
Mrs. Nirmala Gupta	Managerial remuneration	0.96	6.00	6.00	6.40	7.80	8.82
	Issue of equity shares	-	-	-	-	0.12	-
	Securities premium	-	-	-	-	110.48	-
Mrs. Savita Gupta	Managerial remuneration	4.80	7.20	7.20	7.20	10.49	0.60
	Rent expense	2.34	2.19	1.77	1.88	1.81	0.35
	Issue of equity shares	-	-	-	-	0.03	-
	Securities premium	-	-	-	-	27.87	-
	Security deposit given	-	-	-	-	0.32	-
Mr. Himanshu Gupta	Managerial remuneration	8.19	9.02	8.94	8.00	9.66	3.53
	Issue of equity shares	-	-	-	-	0.02	-
	Securities premium	-	-	-	-	21.48	-
Mrs. Ankita Gupta	Managerial remuneration	2.26	3.15	3.54	3.36	8.54	1.50
	Rent expense	0.30	0.39	0.28	-	0.07	0.42
	Issue of equity shares	-	-	-	-	0.01	-
	Securities premium	-	-	-	-	7.57	-
	Other expenses paid (reimbursement)	0.30	-	-	-	-	-
Mr. Dinesh Kumar Jhunjhnuwala	Managerial remuneration	8.05	9.17	9.09	7.25	6.28	2.78
	Issue of equity shares	-	-	-	-	0.03	-
	Securities premium	-	-	-	-	31.56	-
Mrs. Neerja Jhunjhnuwala	Managerial remuneration	2.26	3.80	4.13	3.10	3.29	0.90
	Sale of building	-	-	-	3.20	-	-
	Rent expense	1.71	2.27	2.34	1.74	1.74	0.85
	Issue of equity shares	-	-	-	-	0.04	-
	Securities premium	-	-	-	-	37.41	-
	Security deposit given	-	-	-	-	0.10	-
Joint Shareholders (Mrs. Savita Gupta, Mr. Himanshu Gupta and Mrs. Ankita Gupta)	Issue of equity shares	-	-	-	-	0.01	-
	Securities premium	-	-	-	-	12.02	-
Mr. Gaurav Jhunjhnuwala	Managerial remuneration	3.9	3.30	2.40	2.00	1.20	1.00

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(A). Transactions with related parties during the relevant period/year

(Amount in Rupees million)

Party Name	Nature of transactions	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Mr. Saurabh Mittal	Managerial remuneration	6.73	7.95	7.05	-	-	-
Mr. Jagdeep Singh	Managerial remuneration	3.39	0.96	-	-	-	-
Mr. Atul Gupta	Rent expense	-	-	0.31	-	-	-
	Interest expenses	-	-	0.57	-	-	-
Mr. Jai Saxena	Managerial remuneration	2.81	3.75	3.75	3.75	3.00	3.00
	Loan repaid during the period/year	3.69	-	-	-	-	-
Mrs. Vidya Saxena	Managerial remuneration	2.81	3.75	3.75	3.75	3.00	3.00
	Loan repaid during the period/year	0.36	-	-	-	-	-
Mr. Love Kumar Kathuria	Managerial remuneration	-	-	0.72	-	-	-
Mr. Kuldeep Chand Ganjwal	Managerial remuneration	-	-	0.68	-	-	-
Mr. Sumit Biswas	Managerial remuneration	0.60	-	0.68	-	-	-
Relative of key managerial personnel							
Mr. Ankur Gupta	Rent expense	-	-	0.31	-	-	-
Mr. Ravindra Kumar Gupta	Rent expense	0.89	1.18	1.01	1.01	1.01	1.47
	Interest expenses	-	-	-	-	-	0.17

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(B). Balance outstanding at respective period/year end

(Amount in Rupees million)

Party name	Nature of transactions	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Subsidiary company							
SHAARA Hospitalities Private Limited*	Loans and advances given	-	-	-	-	-	342.77
S Chand Hotels Private Limited*	Loans and advances given	-	-	-	-	-	46.00
SC Hotel Tourist Deluxe Private Limited*	Trade payable	-	-	-	-	-	0.49
S Chand Properties Private Limited*	Trade payable	-	-	-	-	-	12.97
*Refer Note 18 of this Annexure.							
Associate Company							
Edutor Technologies India Private Limited	Trade payable	1.76	0.10	0.93	-	-	-
	Trade receivable	0.55	0.27	-	-	-	-
Joint venturers							
Education Media and Publishing Group International (EMPGI)	Loans and advances given	-	-	-	42.82	27.43	-
	Trade payable	-	-	-	-	-	-
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	Trade payable	-	-	-	0.52	-	-
Enterprises over which shareholders', key management personnel or their relatives exercise significant influence:							
Hotel Tourist (Partnership Firm)	Loans and advances given	-	-	-	-	-	-
	Trade payable	0.58	0.51	0.53	1.16	0.52	0.26
	Trade receivable	0.03	0.03	0.03	-	-	-
SC Hotel Tourist Deluxe Private Limited	Trade payable	0.40	0.12	0.59	0.03	0.36	-
	Loans and advances given	-	0.13	-	0.61	0.17	-
	Security deposits receivable	4.20	4.20	4.20	-	-	-
	Trade receivable	-	-	0.02	-	-	-
S Chand Hotels Private Limited	Loans and advances given	-	-	0.01	0.00	0.52	-
Shyam Lal Charitable Trust	Trade payable	-	-	-	-	-	0.02
	Loans and advances given	0.01	-	1.25	1.20	1.10	0.04
S Chand Properties Private Limited	Trade payable	-	-	-	-	3.85	-
	Loans and advances given	-	-	0.02	0.03	2.07	-
	Security deposits receivable	12.55	12.55	15.19	15.19	-	-
SHAARA Hospitalities Private Limited	Loans and advances given	0.01	0.01	0.01	0.00	321.99	-
Raasha Entertainment & Leisure LLP	Loans and advances given	0.22	0.22	0.22	0.06	0.40	0.40
Shyam Lal Nursing Home & Medical Research Centre Private Limited	Loans and advances given	0.11	0.11	0.11	0.11	-	-
	Trade payable	0.09	0.10	0.04	-	-	-
RKG Hospitalities Private Limited	Trade payable	-	-	-	-	9.66	11.30
	Loans and advances given	0.34	0.34	0.34	0.34	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(B). Balance outstanding at respective period/year end

(Amount in Rupees million)

Party name	Nature of transactions	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
JSR Marketing Private Limited (formerly known as S Chand Technologies Private Limited)	Trade payable	-	-	-	-	-	0.33
	Loans and advances given	-	-	-	39.81	40.31	38.80
Rajendra Ravindra Printers Private Limited	Trade payable	-	-	-	-	-	136.22
Eurasia Publishing House Private Limited	Trade payable	-	-	-	-	-	104.07
Blackie & Sons (Calcutta) Private Limited	Trade payable	-	-	-	-	-	4.79
S Chand and Company (Partnership Firm)	Trade payable	-	-	-	-	-	70.00
Smartivity Labs Private Limited	Loans and advances given	-	1.50	-	-	-	-
	Trade payable	0.20	-	-	-	-	-
Orange Associates Private Limited (formerly known as Saraswati House Private Limited)	Loans and advances given	-	-	1.22	-	-	-
	Security deposits receivable	-	1.95	1.95	-	-	-
Amenity Public School	Trade receivable	0.23	0.23	0.08	-	-	-
Global Knowledge Network Society	Loans and advances given	-	-	-	0.13	0.01	1.50
Investing party in subsidiary company							
Ventureskies, FZE (Deregistered)	Other non current liabilities	-	-	9.72	9.72	9.72	9.72
	Trade payable	1.47	1.23	-	-	-	-
Key managerial personnel							
Mrs. Nirmala Gupta	Long-term borrowings	-	21.06	21.06	21.06	26.56	-
	Short term borrowings	-	4.30	0.80	-	-	10.00
	Managerial remuneration payable	-	0.50	0.10	0.01	-	-
Mrs. Savita Gupta	Short term borrowings	-	-	-	-	-	65.00
	Managerial remuneration payable	-	0.20	0.10	0.03	-	-
	Security deposits receivable	0.54	0.39	0.39	0.32	-	-
Mr. Himanshu Gupta	Managerial remuneration payable	0.50	0.43	0.30	0.10	-	-
Mrs. Ankita Gupta	Managerial remuneration payable	-	0.10	0.10	0.05	-	-
	Security deposits receivable	0.19	0.19	0.19	-	-	-
Mr. Dinesh Kumar Jhunjhnuwala	Managerial remuneration payable	0.50	0.30	0.30	0.16	-	-
Mrs. Neerja Jhunjhnuwala	Loans and advances given	-	-	-	3.20	-	-
	Trade payable	-	-	-	-	0.04	-
	Managerial remuneration payable	0.22	0.10	0.10	0.06	-	-
	Security deposits receivable	0.12	0.12	0.10	0.10	-	-
Mr. Gaurav Jhunjhnuwala	Managerial remuneration payable	-	0.20	0.10	0.09	-	-

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Restated consolidated statement of related party transactions

3(B). Balance outstanding at respective period/year end

(Amount in Rupees million)

Party name	Nature of transactions	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Mr. Saurabh Mittal	Managerial remuneration payable	0.46	0.97	2.32	-	-	-
Mr. Jagdeep Singh	Managerial remuneration payable	0.38	0.43	-	-	-	-
Mrs. Jai Saxena	Short-term borrowings	8.80	12.50	-	-	-	-
Mrs. Vidya Saxena	Short-term borrowings	0.15	0.51	-	-	-	-
Ilario Lyubenov Astinov	Other non current liabilities	-	-	-	4.85	4.85	4.85
Mr. Sumit Biswas	Managerial remuneration payable	0.49	-	-	-	-	-
	Short term borrowings	30.00	-	-	-	-	-
Relative of key managerial personnel							
Mr. Ravindra Kumar Gupta	Security deposits receivable	0.41	0.41	0.15	0.15	0.15	1.95

4. Gratuity benefit plan:

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service or part thereof in excess of six months. The scheme is funded with an insurance company for S Chand and Company Private Limited, Rajendra Ravindra Printers Private Limited and Vikas Publishing House Private Limited.

The following tables summarises the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Statement of profit and loss						
Net employee benefit expense recognized in employee cost						
Current service cost	13.33	15.78	9.10	5.69	3.27	2.30
Interest cost on benefit obligation	4.56	6.14	5.47	4.25	2.77	2.20
Expected return on plan assets	(1.86)	(3.20)	(3.17)	(2.96)	(2.35)	(1.66)
Acquisition/business combination/divestiture	1.47	0.40	0.63	2.60	-	-
Net actuarial (gain)/ loss recognized in the period/year	5.34	(6.05)	13.60	2.36	2.06	1.52
Net benefit expense	**22.83**	**13.07**	**25.63**	**11.94**	**5.75**	**4.36**
Actual return on plan assets						
Expected return on plan assets	1.86	3.20	3.17	2.96	2.40	1.66
Actuarial gain/(loss) on plan assets	(0.17)	-1.90	3.39	-0.40	-0.05	-1.27
Actual return on plan assets	**1.69**	**1.30**	**6.56**	**2.56**	**2.35**	**0.39**
Balance sheet						
Benefit asset/(liability)						
Present value of defined benefit obligation	127.81	111.99	111.94	58.78	48.73	28.37
Fair value of plan assets	59.27	61.91	66.24	38.15	32.46	25.26
Plan assets/(liability)	**-68.54**	**-50.09**	**-45.70**	**-20.63**	**-16.27**	**-3.11**
Changes in the present value of the defined benefit obligation						
Opening defined benefit obligation	111.99	111.94	58.78	48.73	28.37	25.54
Interest cost	4.56	6.14	5.47	4.25	2.77	2.20
Current service cost	13.33	15.78	9.10	5.69	3.27	2.30
Acquisition/business combination/divestiture	0.47	1.64	24.05	2.60	13.34	0.00
Benefits paid	-7.71	-15.54	-2.50	-4.29	-2.66	-1.80
Actuarial (gain)/ loss on obligation	5.17	-7.97	17.04	1.80	3.64	0.13
Closing defined benefit obligation	**127.81**	**111.99**	**111.94**	**58.78**	**48.73**	**28.37**
Changes in the fair value of plan assets						
Opening fair value of plan assets	61.91	66.23	38.15	32.46	25.26	20.17
Expected return	1.86	3.20	3.17	2.96	2.40	1.66
Contributions by employer	2.65	9.93	10.43	7.52	7.93	6.50
Benefits paid	-6.98	-15.54	-2.50	-4.29	-2.20	-1.80
Actuarial gain/ (loss)	-0.17	-1.91	16.99	-0.50	-0.93	-1.27
Closing fair value of plan assets	**59.27**	**61.91**	**66.24**	**38.15**	**32.46**	**25.26**
Expected contribution by Group to gratuity in the next period/year as at the respective period/year ends	1.81	3.51	3.46	3.26	3.00	6.50
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:						
Kotak Life Insurance and LIC	100%	100%	100%	100%	100%	100%
The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:						
Discount rate	7.10% -7.75%	7.80% -8.10%	7.80% -7.85%	9.10%-9.20%	7.75% to 8.30%	7.75%
Rate of return on plan assets	8.00%	7.50%-9.00%	7.50%-9.00%	8.75%-9.20%	8.00% to 8.75%	8.75%
Salary Escalation	6.00%-8.00%	6.00%-8.00%	6.00%-8.00%	6.00%-7.00%	6.00%	6.00%
Employee turnover	1.00%-5.00%	1.00%-5.00%	1.00%-5.00%	1.00%-5.00%	1% to 5%	1% to 5%
Normal retirement age	60 Years	60 Years	60 Years	60 Years	60 years	60 years
Mortality	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate

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

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

Amounts for the current and previous five period/years are as follows:

(Amount in Rupees million)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	127.81	111.99	111.94	58.78	48.73	28.37
Plan assets	59.27	61.91	66.24	38.15	32.46	25.26
Surplus / (deficit)	(68.54)	(50.09)	(45.70)	(20.63)	(16.27)	(3.11)
Experience adjustments on plan assets	-	-	-	0.23	-	-
Experience adjustments on plan liability	-	-	-	1.91	-	-

5. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006.

The amount due to Micro and small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Group.

The Group has requested its various suppliers, who may be the enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006, to furnish the relevant registration certificate under that Act, but none of such suppliers, except as disclosed below, have confirmed to the Group of being covered under the said Act, hence, no specific amount of outstanding on account of purchases made / services obtained from such suppliers can be ascertained.

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period/year						
Principal amount due to micro and small enterprises	56.13	23.70	-	-	-	-
Interest due on above	0.01	0.01	-	-	-	-
	56.15	**23.71**	**-**	**-**	**-**	**-**
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 period/year	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period/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 period/year	0.01	0.01	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-	-	-	-

6 (a). Capital and other commitments:

(Amount in Rupees million)

Particulars	As at December 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Estimated amount of contracts remaining to be executed and not provided for (net of advances)						
Capital commitments	0.09	26.81	6.31	140.60	22.96	2.89
Export commitments pertaining to export promotion	77.89	77.89	77.89	61.86	62.36	-
Other commitments	-	0.24	2.47	1.40	-	-
	77.97	**104.94**	**86.67**	**203.86**	**85.32**	**2.89**

For commitment relating to lease agreements, please refer note 1. There are no other commitments.

6 (b). The Holding Company has entered into a share purchased agreement as on November 14, 2016 to acquire 74% stake (including stake acquired through its 100% subsidiary, Eurasia Publishing House Private Limited) in 'Chhaya Prakashani Private Limited' based in Kolkata, West Bengal for a total consideration of INR 170 Crore and has been acquired on December 5, 2016. The remaining tranche of 26% will be acquired by December 31, 2018.

Chhaya Prakashani Private Limited is engaged in the business of printing and publishing of school books, college and engineering and children's books.

7. Interest in joint venture

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity as at the respective period/year ends are as follows:

Particulars	December 31, 2016	March 31, 2016	July 06, 2014*	March 31, 2014	March 31, 2013	March 31, 2012
Interest held in joint venture	-	-	**48.37%**	**48.37%**	**48.37%**	**48.16%**
Current assets	-	-	22.01	23.08	19.72	8.87
Non-current assets	-	-	164.86	168.19	186.02	169.19
Current liabilities	-	-	(70.99)	(73.37)	(63.72)	(31.15)
Non-current liabilities	-	-	(35.50)	(31.23)	(64.36)	(46.43)
Equity	**-**	**-**	**80.37**	**86.67**	**77.66**	**100.48**
Revenue	-	-	16.66	69.97	38.95	26.92
Cost of material consumed	-	-	(0.97)	(9.21)	(0.69)	(1.88)
Depreciation of plant and machinery	-	-	(5.29)	(11.11)	(17.23)	(11.98)
Employee benefit expense	-	-	(4.77)	(15.44)	(18.09)	(22.81)
Other expense	-	-	(15.47)	(37.08)	(31.19)	(38.75)
Profit/(loss) before tax	**-**	**-**	**(9.84)**	**(2.87)**	**(28.25)**	**(48.50)**
Income-tax expense			-	(13.20)	(4.98)	(14.02)
Profit/(loss) after tax	**-**	**-**	**(9.84)**	**10.33**	**(23.27)**	**(34.48)**
Contingent liabilities						
Share in the claims against the jointly controlled entity not acknowledged as debts						
- VAT claim by U.P. VAT Act**	-	-	0.80	0.80	0.80	-

* The jointly controlled entity became subsidiary w.e.f. July 07, 2014.

** The jointly controlled entity (DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)) has paid Rs. 11 lakhs for levy of penalty under section 54(1) of U.P. VAT Act. The jointly controlled entity was in the process of filing an appeal as at March 31, 2013. The hearing of appeal is under process as at March 31, 2014 and July 06, 2014.

8. Employee stock option plans

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

(Amount in Rupees million)

Particulars	**Plan I**										
	Grant I	**Grant II**	**Grant III (a)**	**Grant III (b)**	**Grant IV (a)**	**Grant IV (b)**	**Grant IV (c)**	**Grant IV (d)**	**Grant V**	**Grant VI**	**Grant VII**
Date of grant	July 09, 2012	July 09, 2012	July 28, 2014	Sept 30, 2014	27-Aug-15	30-Sep-15	30-Sep-15	28-Mar-16	05-Aug-16	16-Aug-16	30-Nov-16
Date of board approval	June 30, 2012	June 30, 2012	July 28, 2014	Sept 30, 2014	27-Aug-15	27-Aug-15	27-Aug-15	28-Mar-16	05-Aug-16	05-Aug-16	19-Sep-16 & 30-Nov-16
Date of shareholders' approval	June 30, 2012	June 30, 2012	July 28, 2014	Sept 30, 2014	30-Sep-15	30-Sep-15	30-Sep-15	28-Mar-16	05-Aug-16	05-Aug-16	10-Nov-16
Number of options granted	2194	292	180	75	441	185	248	40	93,388	51,060	12,506
Method of settlement (Cash/ Equity)	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period	Year 1- 10% Year 2- 15% Year 3-20% Year 4-25% Year 5-30%	100% Immediate vesting	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 28% Year 2- 32% Year 3-40%	Year 1- 50% Year 2- 50%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 25% Year 2- 35% Year 3- 40%	Year 1- 100%	Year 1- 25% Year 2- 25% Year 3- 25% Year 4- 25%	Year 1- 50% Year 2- 50%
Exercise period	Exercise on listing but not later than two years from the listing/on sale										
Exercise price*	9,110	9,110	36,870	36,870	36,870	45,000	45,000	45,000	304	304	392
Weighted average share price (Market Price) in Rs.*	9,110	9,110	36,870	36,870	55,785	55,785	55,785	55,785	376	376	376

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

Exercise price*	62	62	249	249	249	304	304	304	304	304	392
Weighted average share price (Market Price) in Rs.*	62	62	249	249	377	377	377	377	376	376	376

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

Particulars	**For the nine months period ended December 31, 2016**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**	**For the year ended March 31, 2014**	**For the year ended March 31, 2013**	**For the year ended March 31, 2012**
Options outstanding at the beginning of the period/year	322	1,003	2,161	2,161	-	-
Granted during the period/year	-	-	-	-	2,194	-
Forfeited during the period/year	-	681	1,158	-	33	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	322	-	-	-	-	-
Effect of bonus issue*	47,012	-	-	-	-	-
Options outstanding at the end of the period/year	47,656	322	1,003	2,161	2,161	-
Exercisable at the end of the period/year	-	-	594#	271#	-	-

*Refer note above
#includes 61 options which has vested 100% on account of demise of an employee.

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

Particulars	**For the nine months period ended December 31, 2016**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**	**For the year ended March 31, 2014**	**For the year ended March 31, 2013**	**For the year ended March 31, 2012**
Options outstanding at the beginning of the period/year	21	290	290	290	-	-
Granted during the period/year	-	-	-	-	292	-
Forfeited during the period/year	-	269	-	-	2	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	21	-	-	-	-	-
Effect of bonus issue *	3,066	-	-	-	-	-
Options outstanding at the end of the period/year	3,108	21	290	290	290	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Holding Company has granted 255 options during the year 2014-15 (Grant III a and III b). The details of activities under Grant III a and III b are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	253	255	-	-	-	-
Granted during the period/year	-	-	255	-	-	-
Forfeited during the period/year	-	2	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	253	-	-	-	-	-
Effect of bonus issue*	36,938	-	-	-	-	-
Options outstanding at the end of the period/year	37,444	253	255	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Holding Company had granted 441 options during the year 2015-16 (Grant IV a). The details of activities under Grant IV a are

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	441	-	-	-	-	-
Granted during the period/year	-	441	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	441	-	-	-	-	-
Effect of bonus issue*	64,386	-	-	-	-	-
Options outstanding at the end of the period/year	65,268	441	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Holding Company had granted 473 option during the year 2015-16 (IV b, IV c and IV d). The details of activities under Grant IV b, IV c and IV d are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	473	-	-	-	-	-
Granted during the period/year	-	473	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Effect of share split*	473	-	-	-	-	-
Effect of bonus issue *	69,058	-	-	-	-	-
Options outstanding at the end of the period/year	70,004	473	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

*Refer note above

The Holding Company had granted 93,388 options during the nine months period ended December 31, 2016 under Grant V. The details of activities under Grant V are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	93,388	-	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Options outstanding at the end of the period/year	93,388	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

The Holding Company had granted 51,060 options during the nine months period ended December 31, 2016 under Grant VI. The details of activities under Grant VI are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	51,060	-	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Options outstanding at the end of the period/year	51,060	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

The Holding Company had granted 12,506 options during the nine months period ended December 31, 2016 under Grant VII. The details of activities under Grant VII are summarized below:

Particulars	For the nine months period ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2012
Options outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	12,506	-	-	-	-	-
Forfeited during the period/year	-	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Options outstanding at the end of the period/year	12,506	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-

The details of weighted average remaining contractual life are summarized below:

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Growth option	3.19 years	3.44 years	4.01 years	4.08 years	5.81 years	-
Thankyou option	3.19 years	3.44 years	4.01 years	4.08 years	5.73 years	-
Grant III a	3.19 years	3.44 years	3.78 years	-	-	-
Grant III b	3.19 years	3.44 years	3.60 years	-	-	-
Grant IV a	3.19 years	3.44 years	-	-	-	-
Grant IV b, IV c and IV d	3.19 years	3.44 years	-	-	-	-
Grant V	3.19 years	-	-	-	-	-
Grant VI	3.19 years	-	-	-	-	-
Grant VII	3.19 years	-	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value of options during the year ended March 31, 2013 considering the following inputs:

Growth option (Grant I)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	-	-	0.12%	-
Expected volatility (%)	-	-	-	-	0.00%	-
Risk-free interest rate (%)	-	-	-	-	8.11%	-
Weighted average share price (Rs.)	-	-	-	-	9,110	-
Exercise price (Rs.)	-	-	-	-	9,110	-
Expected life of options granted in years	-	-	-	-	5.81	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	-	-	3,280	-

Thankyou option (Grant II)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	-	-	0.12%	-
Expected volatility (%)	-	-	-	-	0.00%	-
Risk-free interest rate (%)	-	-	-	-	8.11%	-
Weighted average share price (Rs.)	-	-	-	-	9,110	-
Exercise price (Rs.)	-	-	-	-	9,110	-
Expected life of options granted in years	-	-	-	-	5.73	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	-	-	3,247	-

The Black Scholes valuation model has been used for computing the weighted average fair value of options granted during the year ended March 31, 2015 considering the following inputs:

Grant III (a)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	0.00%	-	-	-
Expected volatility (%)	-	-	0.00%	-	-	-
Risk-free interest rate (%)	-	-	8.45%	-	-	-
Weighted average share price (Rs.)	-	-	36,870	-	-	-
Exercise price (Rs.)	-	-	36,870	-	-	-
Expected life of options granted in years	-	-	3.78	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	9,723	-	-	-

Grant III (b)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	-	0.00%	-	-	-
Expected volatility (%)	-	-	0.00%	-	-	-
Risk-free interest rate (%)	-	-	8.57%	-	-	-
Weighted average share price (Rs.)	-	-	36,870	-	-	-
Exercise price (Rs.)	-	-	36,870	-	-	-
Expected life of options granted in years	-	-	3.60	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	-	9,452	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value of options granted during the year ended March 31, 2016 considering the following inputs:

Grant IV (a)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility (%)	-	0.00%	-	-	-	-
Risk-free interest rate (%)	-	7.67%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	36,870	-	-	-	-
Expected life of options granted in years	-	2.43	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	24,974	-	-	-	-

Grant IV (b)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility (%)	-	0.00%	-	-	-	-
Risk-free interest rate (%)	-	7.71%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	45,000	-	-	-	-
Expected life of options granted in years	-	3.22	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	20,312	-	-	-	-

Grant IV (c)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility (%)	-	0.00%	-	-	-	-
Risk-free interest rate (%)	-	7.46%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	45,000	-	-	-	-
Expected life of options granted in years	-	3.20	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	19,985	-	-	-	-

Grant IV (d)

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	-	0.00%	-	-	-	-
Expected volatility (%)	-	0.00%	-	-	-	-
Risk-free interest rate (%)	-	7.63%	-	-	-	-
Weighted average share price (Rs.)	-	55,785	-	-	-	-
Exercise price (Rs.)	-	45,000	-	-	-	-
Expected life of options granted in years	-	3.15	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	-	19,767	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value of options granted during the nine months period ended December 31, 2016 considering the following inputs:

Grant V

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	0.00%	-	-	-	-	-
Expected volatility (%)	0.00%	-	-	-	-	-
Risk-free interest rate (%)	6.71%	-	-	-	-	-
Weighted average share price (Rs.)	376	-	-	-	-	-
Exercise price (Rs.)	304	-	-	-	-	-
Expected life of options granted in years	2.53	-	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	109	-	-	-	-	-

Grant VI

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	0.00%	-	-	-	-	-
Expected volatility (%)	0.00%	-	-	-	-	-
Risk-free interest rate (%)	6.71%	-	-	-	-	-
Weighted average share price (Rs.)	376	-	-	-	-	-
Exercise price (Rs.)	304	-	-	-	-	-
Expected life of options granted in years	2.53	-	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	118	-	-	-	-	-

Grant VII

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Dividend yield (%)	0.00%	-	-	-	-	-
Expected volatility (%)	0.00%	-	-	-	-	-
Risk-free interest rate (%)	6.71%	-	-	-	-	-
Weighted average share price (Rs.)	376	-	-	-	-	-
Exercise price (Rs.)	392	-	-	-	-	-
Expected life of options granted in years	2.53	-	-	-	-	-
Weighted average fair value of option at the time of grant (Rs.)	37	-	-	-	-	-

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

The company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and (loss)/earnings per share as reported would have changed to the amounts indicated below:

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(Loss)/profit after tax as restated	(897.20)	466.37	268.45	423.42	323.37	146.91
Impact in the statement of profit of loss as per fair valuation method	(4.61)	1.79	(1.62)	(2.42)	(2.82)	-
Proforma (loss)/profit after tax	**(901.81)**	**464.58**	**270.07**	**425.84**	**326.19**	**146.91**
(Loss)/earnings per share						
Basic						
- As reported (as restated)	(30.06)	17.10	10.52	17.56	16.66	9.92
- Proforma	(30.22)	17.03	10.59	17.67	16.80	9.92
Diluted						
- As reported (as restated)	(30.06)	17.09	10.52	16.60	16.06	9.92
- Proforma	(30.22)	17.02	10.59	16.69	16.20	9.92

S Chand and Company Limited (Formerly S Chand and Company Private Limited)
Annexure XXXVI - Notes to restated consolidated summary statements of Assets and Liabilities, Profits and Losses and Cash Flows

9. Disclosure as required by Schedule III of the Companies Act, 2013:

Name of entity	Net assets as at December 31, 2016	Share in Profit or (Loss) for the nine months period ended December 31, 2016	Net assets as at March 31, 2016	Share in Profit or (Loss) for the year ended March 31, 2016	Net assets as at March 31, 2015	Share in Profit or (Loss) for the year ended March 31, 2015	Net assets as at March 31, 2014	Share in Profit or (Loss) for the year ended March 31, 2014	Net assets as at March 31, 2013	Share in Profit or (Loss) for the year ended March 31, 2013	Net assets as at March 31, 2012	Share in Profit or (Loss) for the year ended March 31, 2012
Parent												
S Chand and Company Limited (Formerly S Chand and Company Private Limited)	4,536.85	(300.37)	3,353.56	164.18	1,783.57	142.66	1,820.20	105.81	1,567.88	45.84	596.90	83.27
Indian Subsidiaries												
Rajendra Ravindra Printers Private Limited	-	-	-	-	107.04	(55.25)	212.76	7.11	202.76	25.72	-	-
Eurasia Publishing House Private Limited	55.67	(5.43)	(1.26)	10.77	(14.59)	23.33	148.95	29.26	119.48	7.37	-	-
BPI (India) Private Limited	(1.65)	(1.67)	95.61	0.11	91.63	2.31	62.11	5.11	57.96	(7.15)	-	-
Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	(310.30)	(42.93)	139.70	(19.60)	13.79	(7.26)	195.13	(4.13)	(0.44)	(0.08)	(0.35)	(0.14)
Blackie & Son (Calcutta) Private Limited	7.16	(0.49)	15.56	9.69	19.12	4.89	61.42	0.09	61.30	2.56	0.01	(0.01)
Arch Papier-Mache Private Limited	-	7.86	47.63	13.86	28.62	6.11	17.10	5.48	14.03	1.68	-	-
Nirja Publishers and Printers Private Limited	668.66	36.85	(2.70)	125.40	155.56	95.15	426.74	112.91	314.13	90.40	243.13	103.35
Vikas Publishing House Private Limited	355.23	(196.13)	581.75	109.62	540.60	119.86	680.29	168.82	515.70	178.90	-	-
S Chand Edutech Private Limited	(32.26)	(4.11)	0.36	3.94	(1.50)	(5.40)	(28.76)	(5.71)	(22.96)	(7.50)	(12.92)	(9.08)
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	(236.44)	(80.17)	353.58	(33.16)	342.85	(42.37)	-	-	-	-	-	-
New Saraswati House (India) Private Limited	(168.93)	(333.26)	1,212.86	108.90	746.88	116.46	-	-	-	-	-	-
Chhaya Prakashani Private Limited	39.65	39.65										
Minority interest in all subsidiaries	88.30	12.32	31.48	(0.05)	215.47	(59.16)	30.39	(2.29)	28.31	3.39	-	-
Associates (investment as per equity method) (Indian)	177.87	(17.00)	194.86	(27.24)	129.94	(13.72)	-	-	-	-	-	(0.63)
Joint ventures (as per proportionate consolidation method) (Indian)												
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	-	-	-	-	-	-	81.28	3.25	78.71	(21.14)	81.58	(29.85)
	5,179.81	**(884.88)**	**6,022.99**	**466.42**	**4,158.98**	**327.61**	**3,707.61**	**425.71**	**2,936.86**	**319.99**	**908.35**	**146.91**

Name of entity	As a % of consolidated net assets	As a % of consolidated Profit or (Loss)	As a % of consolidated net assets	As a % of consolidated Profit or (Loss)	As a % of consolidated net assets	As a % of consolidated Profit or (Loss)	As a % of consolidated net assets	As a % of consolidated Profit or (Loss)	As a % of consolidated net assets	As a % of consolidated Profit or (Loss)	As a % of consolidated net assets	As a % of consolidated Profit or (Loss)
Parent												
S Chand and Company Limited (Formerly S Chand and Company Private Limited)	88%	34%	56%	35%	41%	31%	49%	25%	53%	15%	67%	57%
Indian Subsidiaries												
Rajendra Ravindra Printers Private Limited	0%	0%	0%	0%	3%	-20%	6%	2%	7%	8%	0%	0%
Eurasia Publishing House Private Limited	1%	1%	0%	2%	0%	9%	4%	7%	4%	2%	0%	0%
BPI (India) Private Limited	0%	0%	2%	0%	2%	1%	2%	1%	2%	-2%	0%	0%
Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited)	-6%	5%	2%	-4%	0%	-3%	5%	-1%	0%	0%	0%	0%
Blackie & Son (Calcutta) Private Limited	0%	0%	0%	2%	0%	2%	2%	0%	2%	1%	0%	0%
Arch Papier-Mache Private Limited	0%	-1%	1%	3%	1%	2%	0%	1%	0%	1%	0%	0%
Nirja Publishers and Printers Private Limited	13%	-4%	0%	27%	4%	35%	12%	27%	11%	28%	26%	70%
Vikas Publishing House Private Limited	7%	22%	10%	24%	13%	44%	19%	40%	18%	55%	0%	0%
S Chand Edutech Private Limited	-1%	0%	0%	1%	0%	-2%	-1%	-1%	-1%	-2%	-1%	-6%
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	-5%	9%	6%	-7%	8%	-16%	-	-	-	-	-	-
New Saraswati House (India) Private Limited	-3%	38%	20%	23%	18%	43%	0%	0%	0%	0%	0%	0%
Chhaya Prakashani Private Limited	1%	-4%										
Minority interest in all subsidiaries	2%	-1%	1%	0%	5%	-22%	1%	-1%	1%	1%	0%	0%
Associates (investment as per equity method) (Indian)	3%	2%	3%	-6%	3%	-5%	0%	0%	0%	0%	0%	0%
Joint ventures (as per proportionate consolidation method) (Indian)												
DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)	0%	0%	0%	0%	0%	0%	2%	1%	3%	-7%	9%	-20%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

* Management has elected to present these numbers on pre-elimination basis.

10. Corporate Social Responsibility (CSR)

a. In case of the Holding Company, CSR committee has been formed by the Company during the year 2014-15 to monitor CSR related activities. The Holding Company has contributed Rs. 0.46 million during the three months period ended June 30, 2016 in accordance with section 135 read with schedule VII to the Companies Act, 2013.

In case of the Holding Company, CSR committee has been formed by the Company during the year 2014-15 to monitor CSR related activities. The Company has contributed Rs 2.15 million out of the total contributable amount of Rs 2.51 million as of March 31, 2016 in accordance with section 135 read with schedule VII to the Companies Act, 2013 through Shyam Lal Charitable Trust. Management has not spent the remaining amount of Rs. 0.36 million as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.

For the year 2014-15, the Holding Company has contributed Rs. 0.70 million out of the total contributable amount of Rs 2.51 million as of March 31, 2015 in accordance with section 135 read with schedule VII to the Companies Act, 2013 through Shyam Lal Charitable Trust. The management has not spent the remaining amount of Rs. 1.81 million upto March 31, 2015, as the CSR committee is yet to identify the CSR activities. Unspent amount has not been provided in books.

b. In case of Nirja Publishers & Printers Private Limited, CSR committee has been formed during the year 2014-15 to monitor CSR related activities. Nirja Publishers & Printers Private Limited has contributed Rs. 0.70 million out of the total contributable amount of Rs 2.18 million as of March 31, 2016 in accordance with section 135 read with schedule VII to the Companies Act, 2013 to a society involved in promoting education, including special education and employment enhancement vocational skill specially among children and students. Unspent amount has not been provided in books.

For the year 2014-15, Nirja Publishers & Printers Private Limited has contributed Rs Nil out of the total contributable amount of Rs 2.04 million as of March 31, 2015 in accordance with section 135 read with schedule VII to the Companies Act, 2013. The management of Nirja Publishers & Printers Private Limited has not spent the amount of Rs. 2.04 million as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.

c. In case of Vikas Publishing House Private Limited, CSR committee has been formed during the year to monitor CSR related activities. Rs. 3.33 million as been spent for the year ended March 31, 2016 on Corporate Social Responsibility (CSR) Activities under Section 135 of the Companies Act, 2013. For the year 2014-15, Vikas Publishing House Private Limited has contributed Rs 2.96 million in accordance with Section 135 read with Schedule VII to the Companies Act, 2013.

d. In case of New Saraswati House (India) Private Limited, CSR committee has been formed during the year to monitor CSR related activities. It has contributed Rs 1.47 million out of the total contributable amount of Rs 3.40 million as of March 31, 2016 in accordance with section 135 read with schedule VII to the Companies Act, 2013 through Kalgidhar Akal Academy. Management has not spent the remaining amount of Rs. 1.92 million as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.

For the year 2014-15, New Saraswati House (India) Private Limited has contributed Rs 0.50 million out of the total contributable amount of Rs 2.81 million in accordance with Section 135 read with Schedule VII to the Companies Act, 2013 through Vivekanand Kendriya Vidyalya. Management of New Saraswati House (India) Private Limited has not spent the remaining amount of Rs. 2.31 million as CSR committee is yet to identify the activity. Unspent amount has not been provided in books.

11. BPI (India) Private Limited had entered into a contract with a foreign party for supply of certain children books. As per the contract material was to be supplied in lots. After receiving certain lots, BPI (India) Private Limited had requested the vendor to terminate the contract as there were no demands for such books. But the party had continued to supply books. The party has filed case against BPI (India) Private Limited for recovery of amount with interest. The case is pending with Delhi High court as at March 31, 2015, March 31, 2016 and March 31, 2014.

BPI (India) Private Limited will discuss with AD / Reserve Bank of India (RBI) for remitting / regularizing the payment due once the case is finally settled. Also, based on the discussions with the solicitor/expert, the management feels that BPI (India) Private Limited has a strong chance of success in above mentioned case and hence no provision for interest has been booked in the financial statements.

12. Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited) is created for promotion of digital business carried on by other group companies. The management of Safari Digital Education Initiatives Private Limited (formerly known as S Chand Digital Private Limited) believes that an investment is made in the group companies so it is not an NBFC and the relevant rules & regulations of RBI are not applicable.

13. Merger of Vikas Publishing House Private Limited and Rajendra Ravindra Printers Private Limited

The Shareholders of Vikas Publishing House Private Limited ('transferee') and Rajendra Ravindra Printer Private Limited (transferor) (RRPPL), subsidiary companies of the Holding Company, had approved a scheme of amalgamation ('the scheme') u/s 391-394 of the Companies Act, 1956 and applicable provisions of Companies Act 2013 (to the extent applicable). In accordance with the scheme RRPPL merges with the transferee company w.e.f. 1st April, 2014. The Hon'ble Delhi High Court has given its approval to the Scheme on February 18, 2016 and order was received by the transferee company on April 7, 2016. The approved scheme was filed with the Registrar of Companies on April 27, 2016 and the scheme became effective from such date. Assets and liabilities, rights and obligation of the RRPPL were transferred into the transferee company (as provided in the scheme).

The amalgamation has been given effect to in financial statement of the transferee company as at March 31, 2016 by using the "Pooling of Interests Method" as per Scheme. Accordingly, the assets and liabilities of RRPPL as at April 1, 2014 have been taken over at cost. The following effects have been given in financial statements of the transferee company:

-Total of 100 equity shares of Rs 100 each has been issued to the members of RRPPL namely S Chand and Company Limited, the Holding Company.

-The transferee company recorded the assets and liabilities of the RRPPL vested in it pursuant to this Scheme, at the respective book values thereof, as appearing in the books of RRPPL on the day immediately preceding the Appointed Date (i.e. March 31, 2014). The details of RRPL net assets are as follows:

	(Amount in Rupees million)
Particulars	**March 31, 2014**
Fixed assets (including capital work-in-progress)	78.60
Receivables (including loans and advances & other assets)	146.64
Inventory	1.23
Investments (current & non-current)	14.89
Cash and bank balances	2.23
Total (A)	**243.59**
Borrowings (secured & unsecured)	1.26
Current liabilities and provisions*	55.78
Deferred tax liability	3.44
Long term provision	4.82
Total (B)	**65.30**
Net Assets (A - B)	**178.29**

The provision for tax for the current year has been computed after adjusting the carried forward business loss of Rs. 68.36 million of the RRPPL.

*During FY 2012-13, RRPPL had sold its certain land and building (acquired in 1972) to Arch Papier-Mache Private Limited, and claimed income tax exemption under section 47(iv) of Income Tax Act, 1961 ("Act"), as transfer to its wholly owned subsidiary. However, by virtue of merger of parent company RRPPL into Vikas Publishing House Private Limited, the subsidiary company ceases to be wholly owned subsidiary of RRPPL before expiry of 8 years from the date of transfer, accordingly, capital gains claimed as exempt under section 47(iv), would now be taxable in the year of transfer due to trigger of section 47A. Considering this, tax liability for Rs. 33.51 million has been recognised and corresponding adjustment has been made to Reserve & Surplus taken over from RRPPL as on 01 April 2014.

General Reserve taken over on account of amalgamation as on 01 April 2014	**(Amount in Rupees million)**
Particulars	**March 31, 2014**
General reserve 01 April 2014	68.39
Adjustment during the year as per the scheme of amalgamation (Difference of net assets and consideration paid)*	(32.81)
General Reserve taken over	**35.58**
***Adjustment during the year as per the scheme of amalgamation (Difference of net assets and consideration paid)**	
Net assets taken over	178.29
Less:-Profit and loss as on 01 April 2014	142.70
Less:- General reserve taken 01 April 2014	68.39
Less:- Purchase consideration	0.01
	(32.81)

Since, the Scheme received all the requisite approvals in the current year, operation of the transferor company from 01 April 2014 to 31 March 2015, as detailed below, have been accounted for in the current year's statement of profit and as a separate line item.

	(Amount in Rupees million)
Particulars	**March 31, 2014**
Income	
Revenue from operations	71.30
Other income	2.07
Total revenue	**73.37**
Expenses	
Cost of raw materials and components consumed	9.33
Employee benefit expenses	54.67
Depreciation and amortization expenses	24.64
Finance cost	13.52
Other expenses	29.91
Total expenses	**132.07**
Loss before tax	**(58.70)**
Tax expense	
Current tax	-
Deferred tax credit	(3.44)
Total tax expense	**(3.44)**
Loss for the period 01 April 2014 to 31 March 2015	**(55.26)**

14. In case of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), balances of trade receivables and trade payables as at respective year ends are subject to confirmations.

15. The Company had made an investment in 410 optionally convertible redeemable debentures of Rs 100,000 each fully paid in Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) during the financial year 2007-08 as per the debenture subscription agreement dated 14 May 2007. The debentures were converted into 512,500 optionally convertible or redeemable preference shares during the financial year 2008-09 as per the debenture conversion agreement dated 03 March 2009. These preference shares were redeemable or convertible at the option of the shareholder as per the debenture conversion agreement. The preference shares were due for redemption or conversion during the financial year 2011-12 and the Company opted for redemption of preference shares which Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) failed and defaulted in redeeming the preference shares.

The Company had filed a case against Walldorf Integration Solutions Limited (Formerly Citixsys Technologies Limited) demanding redemption of the preference shares held by the Company during the financial year 2014-15, and the matter is pending before the Arbitral Tribunal for adjudication.

The Company after taking appropriate legal advice is reasonably confident w.r.t. outcome of the matter in Company's favor.

16. Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars	Dec 31, 2016		March 31, 2016		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012	
	Amount in foreign currency in million	Amount in Rupees in million	Amount in foreign currency in million	Amount in Rupees in million	Amount in foreign currency in million	Amount in Rupees in million	Amount in foreign currency in million	Amount in Rupees in million	Amount in foreign currency in million	Amount in Rupees in million	Amount in foreign currency in million	Amount in Rupees in million
Trade receivable												
USD	0.56	38.07	0.70	46.21	0.96	60.26	1.06	63.87	1.07	58.21	0.75	38.32
GBP	-	-	-	-	-	-	0.01	0.60	0.01	0.49	-	-
SAR	-	-	-	-	-	-	0.16	2.50	-	-	-	-
BHD	0.02	4.12	0.02	4.08	-	-	-	-	-	-	-	-
Trade payable												
USD	-	-	-	-	0.22	13.77	0.22	13.08	0.21	11.31	-	-
GBP	-	-	0.21	19.54	0.26	24.49	0.06	5.47	-	-	-	-
Buyers credit												
GBP	-	-	0.12	11.10	0.12	10.76	-	-	-	-	-	-
Amount lying in EEFC account												
USD	-	-	-	-	-	-	-	-	0.00	0.05	0.00	0.04
Cash in hand												
USD	0.00	0.00	0.00	0.08	-	-	-	-	-	-	-	-
EURO	0.00	0.01	0.00	0.02	-	-	-	-	-	-	-	-
		42.20		**81.03**		**109.28**		**85.52**		**70.06**		**38.36**

Particulars	December 31, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
USD: United States Dollar, 1 USD :	67.90	66.33	62.59	60.10	54.39	51.16
GBP : Great Britain Pound, 1 GBP :	83.82	95.20	92.47	99.85	82.32	-
SAR: Saudi Arabian Riyal, 1 SAR:	-	-	-	15.93	-	-
BHD: Bahraini Dinar 1 BHD:	181.82	174.23	-	-	-	-
EURO: 1 EURO:	71.62	75.12	-	-	-	-

17. Reconstruction of business

The business of the Group has been restructured from April 01, 2011 consequent to the approval of the Scheme of amalgamation approved by Madras High Court on Sept 12, 2012 and Scheme of demerger approved by Delhi High Court on Oct 21, 2011 under sections 391-394 of the Companies Act, 1956. Under the said amalgamation Scheme, Atlantic Hotels Private Limited got merged with the Holding Company w.e.f April 01, 2011 and thereafter various undertakings / units / businesses of the Holding Company got demerged in the following manner:

Unit / Undertaking / Business of S Chand and Company Private Limited	**Resulting Company on demerger**
- Hotel Tourist Deluxe	SC Hotel Tourist Deluxe Private Limited
- Hotel Iris Hometel	S Chand Hotels Private Limited
- Real Estate / Properties	S Chand Properties Private Limited
- Atlantic Hotels Private Limited	SHAARA Hospitalities Private Limited

Consequently, all incomes and expenses pertaining to the resulting companies have been transferred to them w.e.f. April 01, 2011 or their respective date of incorporation, whichever is later.

The demerged entity continues to operate the existing publishing business and also its digital learning business carried on by through its subsidiary Safari Digital Education Initiatives Private Limited (formerly S Chand Digital Private Limited). This scheme has been carried out to enable the company to focus on the publication business and education sector so as to enable it to raise equity for inorganic growth in both the printing and digital learning businesses.

18. In April 2011, the Holding Company had acquired four companies (Special Purpose Vehicles) by acquiring 100% shares, for the purpose of transfer of some of its existing business. Simultaneously, the Company had filed an application to court for demerger of its existing business into these four companies namely SC Hotel Tourist Deluxe Private Limited, S Chand Hotels Private Limited, S Chand Properties Private Limited and SHAARA Hospitalities Private Limited, the appointed date being April 1, 2011. The court order was received on September 24, 2012 and all the business was transferred to these 4 resulting companies from April 1, 2011. Standalone Financial Statements for year ended March 31, 2012 of the Holding Company were signed off on September 30, 2012 taking cognizance of this court order. The court order required that all the shareholders of demerged entity (the Holding Company) were to receive shares in these 4 companies. However since order was received in September 2012, shareholding changed subsequent to receipt of court order. Hence as a result, these entities continued to appear as Subsidiary companies in books of the Holding Company as on March 31, 2012.

These four subsidiaries were acquired temporarily by the Holding Company, exclusively with an objective to dispose in near future through court demerger. Moreover, the court scheme has been given effect to in March 2012 financials as the court order was received prior to the adoption of the financials, the Company has not consolidated these four entities as per provisions of AS-21 regarding temporary control. All these subsidiaries have been accounted for in accordance with Accounting Standard (AS) 13, Accounting for Investments.

19. During the financial year 2012-13, the Group had given loan of Rs. 365.07 million to its wholly owned subsidiary Atlantic Hotels Private Limited, for the construction of Hotel at Chennai. The Company went through a restructuring process wherein the undertaking under Atlantic Hotels Private Limited, with appointed date of April 1, 2011 was merged with the Company and then demerged into SHAARA Hospitalities Private Limited. The Order of the Chennai High Court was received on September 13, 2012 to give effect to the Scheme of arrangement. The process of issue of shares to the existing shareholders of the Holding Company in SHAARA Hospitalities Private Limited consequent to the court order was completed on March 30, 2013. Consequently, the amount outstanding has been subsequently recovered from SHAARA Hospitalities Private Limited.

20. Net dividend remitted in foreign exchange

	31-Dec-2016 (Amount in Rs.)	31-Mar-16 (Amount in Rs.)	31-Mar-15 (Amount in Rs.)	31-Mar-14 (Amount in Rs.)	31-Mar-13 (Amount in Rs.)	31-Mar-12 (Amount in Rs.)
Period of remittance (ending on)	1 April 2016 to 31 December 2016	-	-	1 April 2012 to 31 March 2013	-	-
Number of non-resident shareholders	1	-	-	1	-	-
Number of equity shares held on which dividend was due	130,128	-	-	45,146	-	-
Amount remitted (in USD)	48,319	-	-	18,184	-	-
Amount remitted (in INR)	3,253,200	-	-	1,128,650	-	-

21. Effect of acquisition/disposal of subsidiaries

The effect of acquisition of subsidiaries during the period ended 31 December 2016 is as given below:

Particulars	31-Dec-16	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Balance sheet						
Equity	235.07	-	-	-	-	-
Non-current liabilities	0.51	-	-	-	-	-
Current liabilities	385.35	-	-	-	-	-
Total	**620.93**	-	-	-	-	-
Assets						
Non-current assets	28.20	-	-	-	-	-
Current assets	592.73	-	-	-	-	-
Total	**620.93**	-	-	-	-	-
Income						
Revenue from operations	208.31	-	-	-	-	-
Other income	0.11	-	-	-	-	-
	208.42	-	-	-	-	-
Expenses						
Cost of material consumed	65.19	-	-	-	-	-
Publication expenses	10.23	-	-	-	-	-
Change in inventories	27.60	-	-	-	-	-
Employee benefit expenses	5.55	-	-	-	-	-
Finance costs	0.00	-	-	-	-	-
Depreciation and amortization cost	0.56	-	-	-	-	-
Selling and distribution expenses	5.82	-	-	-	-	-
Other expenses	1.86	-	-	-	-	-
	116.81	-	-	-	-	-
Profit before tax	**91.61**	-	-	-	-	-

The effect of disposal of subsidiaries during the period ended 31 December 2016 is as given below:

Particulars	31-Dec-16	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Balance sheet						
Equity	-	38.52	24.65	18.55	14.51	-
Non-current liabilities	-	30.34	27.62	30.92	31.80	-
Current liabilities	-	11.42	4.79	4.10	1.26	-
Total	-	**80.28**	**57.06**	**53.57**	**47.57**	-
Assets						
Non-current assets	-	76.28	54.75	51.32	45.08	-
Current assets	-	4.00	2.31	2.25	2.49	-
Total	-	**80.28**	**57.06**	**53.57**	**47.57**	-
Income						
Other income	12.23	18.36	7.94	7.94	2.65	-
	12.23	**18.36**	**7.94**	**7.94**	**2.65**	-
Expenses						
Depreciation and amortization cost	0.87	0.03	0.03	1.69	0.52	-
Other expenses	0.71	0.10	0.10	0.10	0.35	-
	1.58	**0.13**	**0.13**	**1.79**	**0.87**	-
Profit before tax	**10.65**	**18.23**	**7.81**	**6.15**	**1.78**	-

Note: The subsidiary has been disposed off on 8 December 2016.

22. Seasonality of interim operations

The Group's financial results and cash flows have, historically, been subject to seasonal trends between the last quarter and other quarters of the financial year.

Traditionally, the academic session beginning from April contributes to higher revenue in the last quarter of the financial year. The Group sees a higher volume of book sales during the months of January, February and March because academic sessions start from the month of April. Ongoing revenue also demonstrate signs of seasonality, with revenue generally lower during other quarters, which are not close to the beginning of academic session.

These trends are likely to continue in the future.

As per our report of even date

For S. R. Batliboi & Associates LLP Firm registration no.: 101049W/E300004 Chartered Accountants	**For and on behalf of the Board of Directors of** **S Chand and Company Limited (Formerly S Chand and Company Private Limited)**	
per Yogesh Midha Partner Membership No.: 094941	Director	Director
	Chief Financial Officer	Company Secretary
Place: New Delhi Date: March 27, 2017	Place: New Delhi Date: March 27, 2017	

PROFORMA FINANCIAL STATEMENTS

Independent Practitioner's Assurance report on the Compilation of proforma financial Information Included in offer document in connection with the initial Public offer of S Chand and Company Limited.

The Board of Directors
S Chand and Company Limited
7361, Ram Nagar, Qutab Road
New Delhi

Dear Sirs

1. We have completed our assurance engagement to report on the compilation of proforma financial information of S Chand and Company Limited ("the Company") by the Management of Company. The proforma financial information consists of the Proforma consolidated balance sheet as at March 31, 2016, the Proforma consolidated statements of profit and loss for the year ended March 31, 2016 and for the nine month period ended December 31, 2016 and related notes as set out on pages 4–6 of the proforma financial information. The applicable criteria on the basis of which the Company has compiled the proforma financial information are specified in paragraph 23 of item (IX)(B) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulations"), as amended from time to time and described in note 2 of proforma financial information.

2. The proforma financial information has been compiled by the Management of Company to illustrate the impact of the acquisition of Chhaya Prakashini Private Limited ("Chhaya") as set out in Note 2 on the Company's financial position as at March 31, 2016 as if the acquisition of Chhaya had taken place at March 31, 2016 and its financial performance for the year ended March 31, 2016 and nine month period ended December 31, 2016 as if the acquisition of Chhaya had taken place at April 1, 2015 and April 1, 2016 respectively.

3. As part of this process, information about the Company's financial position and financial performance has been extracted by the Management from the Company's restated consolidated summary statements, on which we have issued our examination report.

Management Responsibility for the Pro Forma Financial Information

4. The Management is responsible for compiling the proforma financial information on the basis set out in note 2 to the proforma financial Information and the same have been approved by the Board of Directors of the Company. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the proforma financial information on the basis set out in note 2 to the proforma financial information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of proforma financial information.

Practitioner's Responsibilities

5. Our responsibility is to express an opinion, as required by the SEBI Regulations, about whether the proforma consolidated financial information of the Company have been compiled, in all material respects, by the Management on the basis set out in Note 2 to the proforma consolidated financial information.

6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the proforma consolidated financial information on the basis set out in Note 2 to the proforma consolidated financial information.

7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information / restated consolidated financial summary statement used in compiling the proforma consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the proforma consolidated financial information. For our assurance engagement, we have placed reliance on the following:

   a. the restated consolidated Summary Financial Statements of the Company as of and for the year ended March 31, 2016 and as of and for the nine month ended December 31, 2016.

   b. the audited consolidated financial statements of Chhaya Prakashini Private Limited as of and for the year ended March 31, 2016 and as of and for period from April 1, 2016 to December 5, 2016, which is audited by other firm of chartered accountants.

8. The purpose of proforma financial information included in offer document is solely to illustrate the impact of above mentioned acquisition on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisition at December 05, 2016 would have been as presented.

9. A reasonable assurance engagement to report on whether the proforma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the proforma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

   - The related proforma adjustments give appropriate effect to those criteria; and
   - The proforma financial information reflects the proper application of those adjustments to the unadjusted financial information.

   The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the proforma financial information has been compiled, and other relevant engagement circumstances.

   The engagement also involves evaluating the overall presentation of the proforma financial information.

10 Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

11 We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

12. In our opinion the proforma consolidated financial information have been compiled, in all material respects, on the basis set out in the Note 2 to the proforma consolidated financial information.

Restrictions on Use

13. This report should not in any way be construed as a reissuance or reauditing or re-examination of any of the previous audit reports issued by us. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI, BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, New Delhi in connection with the proposed Initial public offering of the Company and is not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

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

Per Yogesh Midha
Partner
Membership Number: 094941

Date: March 27, 2017
Place: New Delhi

S Chand and Company Limited
Consolidated proforma balance sheet as at March 31, 2016

(Amount in Rupees million, unless otherwise stated)

	Particulars	Restated consolidated balance sheet of S Chand as at March 31, 2016	Consolidated balance sheet of Chhaya as at March 31, 2016	Proforma adjustments: Classification adjustments [Note 3 (i)]	Proforma adjustments: After classification adjustments	Proforma adjustments: Accounting policy adjustments [Note 3 (ii)]	Proforma adjustments: Acquisition adjustments [Note 3 (iii)]	Proforma adjustments: Offering related adjustments	Proforma adjustments: Total adjustments	Consolidated proforma balance sheet as at March 31, 2016
		S Chand (A)	Chhaya (B)	C	D=B+C	E	F	G	H=E+F+G	I=A+D+H
	Equity and Liabilities									
(A)	**Shareholders' funds**									
	Share capital	2.02	14.83	-	14.83	-	(14.83)	-	(14.83)	2.02
	Reserves and surplus	5,989.50	155.24	-	155.24	(3.66)	(151.58)	-	(155.24)	5,989.50
		5,991.52	**170.07**	**-**	**170.07**	**(3.66)**	**(166.41)**	**-**	**(170.07)**	**5,991.52**
(B)	**Minority Interest**	31.47	-	-	-	-	43.27	-	43.27	74.74
		31.47	**-**	**-**	**-**	**-**	**43.27**	**-**	**43.27**	**74.74**
(C)	**Non - current liabilities**									
	Long-term borrowings	679.22	0.03	-	0.03	-	-	-	-	679.25
	Trade payables				-	-	-	-	-	-
	Total outstanding dues of micro and small enterprises and	-	-	-	-	-	-	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	9.39	-	-	-	-	-	-	-	9.39
	Other Non current liabilities	0.66	-	-	-	-	-	-	-	0.66
	Long-term provisions	50.07	0.68	-	0.68	-	-	-	-	50.75
		739.34	**0.71**	**-**	**0.71**	**-**	**-**	**-**	**-**	**740.05**
(D)	**Current liabilities**									
	Short-term borrowings	1,257.54	26.05	-	26.05	-	-	-	-	1,283.59
	Trade payables				-	-	-	-	-	-
	Total outstanding dues of micro and small enterprises and	23.70	30.52	-	30.52	-	-	-	-	54.22
	Total outstanding dues of creditors other than micro and small enterprises	1,486.94	73.29	-	73.29	-	-	-	-	1,560.23
	Other current liabilities	232.11	21.25	-	21.25	-	1,520.00	-	1,520.00	1,773.36
	Short-term provisions	172.46	251.67	-	251.67	(1.88)	-	-	(1.88)	422.25
		3,172.75	**402.78**	**-**	**402.78**	**(1.88)**	**1,520.00**	**-**	**1,518.12**	**5,093.65**
	Total (A+B+C+D+E)	**9,935.08**	**573.56**	**-**	**573.56**	**(5.54)**	**1,396.86**	**-**	**1,391.32**	**11,899.96**
	Assets									
(E)	**Non current assets**									
	Fixed assets									
	Tangible assets	1,024.92	16.39	-	16.39	-	-	-	-	1,041.31
	Intangible assets	2,282.35	3.51	-	3.51	-	1,576.91	-	1,576.91	3,862.77
	Capital work-in-progress	32.06	-	-	-	-	-	-	-	32.06
	Intangible assets under development	34.89	-	-	-	-	-	-	-	34.89
	Non-current investments	253.58	54.05	-	54.05	-	-	-	-	307.63
	Deferred tax assets (net)	123.52	2.13	-	2.13	-	-	-	-	125.65
	Long-term loans and advances	178.13	1.55	-	1.55	-	-	-	-	179.68
	Trade receivables	28.70	-	-	-	-	-	-	-	28.70
	Other non-current assets	33.04	83.33	-	83.33	-	-	-	-	116.37
		3,991.19	**160.96**	**-**	**160.96**	**-**	**1,576.91**	**-**	**1,576.91**	**5,729.06**
(F)	Current assets									
	Current investments	163.58	3.04	-	3.04	-	-		-	166.62
	Inventories	1,398.25	105.16	-	105.16	-	-		-	1,503.41
	Trade receivables	3,950.52	64.94	-	64.94	(5.54)	-		(5.54)	4,009.92
	Cash and bank balances	244.25	35.31	-	35.31	-	(180.05)		(180.05)	99.51
	Short-term loans and advances	185.38	203.55	-	203.55	-	-		-	388.93
	Other current assets	1.91	0.60	-	0.60	-	-		-	2.51
		5,943.89	**412.60**	**-**	**412.60**	**(5.54)**	**(180.05)**	**-**	**(185.59)**	**6,170.90**
	Total (E+F)	**9,935.08**	**573.56**	**-**	**573.56**	**(5.54)**	**1,396.86**	**-**	**1,391.32**	**11,899.96**

S Chand and Company Limited
Consolidated proforma statement of profit and loss for the year ended March 31, 2016

(Amount in Rupees million, unless otherwise stated)

Particulars	Restated consolidated statement of profit and loss of S Chand for the year ended March 31, 2016	Consolidated statement of profit and loss of Chhaya for the year ended March 31, 2016	Proforma adjustments: Classification adjustments [Note 3 (i)]	Proforma adjustments: After classification adjustments	Proforma adjustments: Accounting policy adjustments [Note 3 (ii)]	Proforma adjustments: Acquisition adjustments [Note 3 (iii)]	Proforma adjustments: Offering related adjustments	Proforma adjustments: Total adjustments	Consolidated proforma statement of profit and loss for the year ended March 31, 2016
	S Chand (A)	Chhaya (B)	C	D=B+C	E	F	G	H=E+F+G	I=A+D+H
Revenue									
Revenue from operations	5,377.54	1,272.28	(20.08)	1,252.20	(5.54)	-	-	(5.54)	6,624.20
Revenue from operations	**5,377.54**	**1,272.28**	**(20.08)**	**1,252.20**	**(5.54)**	**-**	**-**	**(5.54)**	**6,624.20**
Other income	38.02	13.96	-	13.96	-	-	-	-	51.98
Total revenue (A)	**5,415.56**	**1,286.24**	**(20.08)**	**1,266.16**	**(5.54)**	**-**	**-**	**(5.54)**	**6,676.18**
Expenses									
Cost of raw materials and components consumed	1,756.58	316.07	-	316.07	-	-	-	-	2,072.66
Purchases and Implementation cost	49.03	247.39	-	247.39	-	-	-	-	296.42
Publication expenses	503.32		-	-	-	-	-	-	503.32
Increase/(decrease) in inventories	(278.99)	21.59	-	21.59	-	-	-	-	(257.40)
Selling and distribution expenses	526.62	109.55	(17.80)	91.75	-	-	-	-	618.37
Employee benefits expense	941.83	80.79	(28.23)	52.56	-	-	-	-	994.39
Depreciation and amortisation expense	259.07	8.82	-	8.82	-	-	-	-	267.89
Finance costs	305.83	0.33	-	0.33	-	182.40	-	182.40	488.56
Other expenses	625.72	32.45	25.95	58.40	-	-	-	-	684.12
Total expenses (B)	**4,689.01**	**816.99**	**(20.08)**	**796.91**	**-**	**182.40**	**-**	**182.40**	**5,668.33**
Profit/(loss) before taxation and exceptional items (A-B) (C)	**726.55**	**469.25**	**-**	**469.25**	**(5.54)**	**(182.40)**	**-**	**(187.94)**	**1,007.85**
Less: Exceptional items	-	-	-	-	-	-	-	-	-
Profit before tax and after exceptional items	**726.55**	**469.25**	**-**	**469.25**	**(5.54)**	**(182.40)**	**-**	**(187.94)**	**1,007.85**
Tax expense/(income)									
Current tax	244.73	167.66	-	167.66	(1.88)	(62.02)	-	(63.90)	348.49
MAT credit utilized	7.63	-	-	-	-	-	-	-	7.63
Deferred tax charge/(credit)	(19.47)	(0.77)	-	(0.77)	-	-	-	-	(20.24)
Total tax expense (D)	**232.89**	**166.89**	**-**	**166.89**	**(1.88)**	**(62.02)**	**-**	**(63.90)**	**335.88**
Net profit/(loss) after taxation (C-D) (E)	**493.66**	**302.36**	**-**	**302.36**	**(3.66)**	**(120.38)**	**-**	**(124.04)**	**671.97**
Profit/(loss) for the year before minority interest and share of associate company	**493.66**	**302.36**	**-**	**302.36**	**(3.66)**	**(120.38)**	**-**	**(124.04)**	**671.97**
Less : Minority interest in profit/(loss) for the year	0.05	-	-	-	-	77.66	-	77.66	77.71
Add/less : Share in profit/(loss) of associate company	(27.24)	-	-	-	-	-	-	-	(27.24)
Profit for the year after restatement adjustments	**466.37**	**302.36**	**-**	**302.36**	**(3.66)**	**(198.04)**	**-**	**(201.70)**	**567.02**
Proforma Earning Per share (EPS)									
Weightage average no of shares									29.84
EPS (Rs)									**19.00**

S Chand and Company Limited
Consolidated proforma statement of profit and loss for the nine months period ended December 31, 2016

(Amount in Rupees million, unless otherwise stated)

Particulars	Restated consolidated statement of profit and loss of S Chand for nine months period ended December 31, 2016	Consolidated statement of profit and loss of Chhaya for the period from April 01, 2016 to December 5, 2016	Proforma adjustments: Classification adjustments [Note 3 (i)]	Proforma adjustments: After classification adjustments	Proforma adjustments: Accounting policy adjustments [Note 3 (ii)]	Proforma adjustments: Acquisition adjustments [Note 3 (iii)]	Proforma adjustments: Offering related adjustments	Proforma adjustments: Total adjustments	Consolidated proforma statement of profit and loss for nine months period ended December 31, 2016
	S Chand (A)	Chhaya (B)	C	D=B+C	E	F	G	H=E+F+G	I=A+D+H
Revenue									
Revenue from operations	1,495.05	261.68	(21.29)	240.39	(7.29)	-	-	(7.29)	1,728.15
Revenue from operations	**1,495.05**	**261.68**	**(21.29)**	**240.39**	**(7.29)**	**-**	**-**	**(7.29)**	**1,728.15**
Other income	15.44	5.12	-	5.12	-	-	-	-	20.56
Total revenue (A)	**1,510.49**	**266.80**	**(21.29)**	**245.51**	**(7.29)**	**-**	**-**	**(7.29)**	**1,748.71**
Expenses									
Cost of raw materials and components consumed	987.03	88.05	-	88.05	-	-	-	-	1,075.08
Purchases and Implementation cost	36.62	-	-	-	-	-	-	-	36.62
Publication expenses	223.43	76.21	-	76.21	-	-	-	-	299.64
Increase/(decrease) in inventories	(680.72)	(35.46)	-	(35.46)	-	-	-	-	(716.18)
Selling and distribution expenses	406.42	46.07	(18.54)	27.53	-	-	-	-	433.95
Employee benefits expense	835.71	59.70	(20.51)	39.19	-	-	-	-	874.90
Depreciation and amortisation expense	202.59	5.06	-	5.06	-	-	-	-	207.65
Finance costs	227.26	0.04	-	0.04	-	128.05	-	128.05	355.35
Other expenses	535.20	21.06	17.76	38.82	-	-	-	-	574.02
Total expenses (B)	**2,773.54**	**260.73**	**(21.29)**	**239.44**	**-**	**128.05**	**-**	**128.05**	**3,141.03**
Profit/(loss) before taxation and exceptional items (A-B) (C)	**(1,263.05)**	**6.07**	**-**	**6.07**	**(7.29)**	**(128.05)**	**-**	**(135.34)**	**(1,392.32)**
Tax expense/(income)									
Current tax	33.91	5.93	-	5.93	(2.48)	(43.54)	-	(46.02)	(6.18)
MAT credit utilized	8.52	-	-	-	-	-	-	-	8.52
Deferred tax charge/(credit)	(437.60)	(0.16)	-	(0.16)	-	-	-	-	(437.76)
Total tax expense (D)	**(395.17)**	**5.77**	**-**	**5.77**	**(2.48)**	**(43.54)**	**-**	**(46.02)**	**(435.42)**
Net profit/(loss) after taxation (C-D) (E)	**(867.88)**	**0.30**	**-**	**0.30**	**(4.81)**	**(84.51)**	**-**	**(89.32)**	**(956.90)**
Profit/(loss) for the period before minority interest and share of associate company	**(867.88)**	**0.30**	**-**	**0.30**	**(4.81)**	**(84.51)**	**-**	**(89.32)**	**(956.90)**
Less : Minority interest in profit/(loss) for the period	12.32	-	-	-	-	(1.17)	-	(1.17)	11.14
Add/less : Share in profit/(loss) of associate company	(17.00)	-	-	-	-	-	-	-	(17.00)
Profit for the period after restatement adjustments	**(897.20)**	**0.30**	**-**	**0.30**	**(4.81)**	**(83.34)**	**-**	**(88.15)**	**(985.06)**
Proforma Earning Per share (EPS)									
Weightage average no of shares									**29.84**
EPS (Rs)									**(33.01)**

1) Background

i) S Chand and Company Limited's operations comprises of publishing of educational books with product ranging from school books, higher academics books, competition & reference books, technical & professional books and children books.

ii) On December 5, 2016, S Chand and Company Limited (referred to as "S Chand" or " the Company") acquired 74% equity in Chhaya Prakashani Private Limited (referred to as "Chhaya"), which has with effect from that date become a subsidiary of the Company. It includes 30.47 % shares acquired through one of its 100 % subsidiary.

The consolidated proforma financial information gives effect to the acquisition of Chhaya by S Chand for consideration of Rs. 1,700.05 million. The entire consideration for this acquisition is financed through a Rupee term loan amounting to Rs. 1,520 million and Rs. 180.05 million internal accruals. Pursuant to this acquisition the Company will consolidate 74% of Chhaya in its consolidated financial statements with effect from December 5, 2016.

2) Basis of Preparation

The consolidated proforma financial information of the Company comprising the consolidated proforma balance sheet as at March 31, 2016 and the consolidated proforma statement of profit and loss for the year ended March 31, 2016 and for the nine months ended December 31, 2016, read with the notes to the proforma financial information, has been prepared to reflect the acquisition of Chhaya. Because of their nature, the consolidated proforma financial information addresses a hypothetical situation and, therefore, do not represent S Chand's actual consolidated financial position or results. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at year end but are not intended to be indicative of expected results or operations in the future periods or the future financial position of S Chand.

The proforma adjustments are based upon available information and assumptions that the management of S Chand believes to be reasonable. Such proforma financial information has not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by anyone in other jurisdictions on such proforma information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these proforma financial information.

The Consolidated proforma financial information has been prepared by the Management of the Company in accordance with the requirements of clause (23) of point (IX)(B) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to reflect the impact of a significant acquisition made after the date of the latest annual audited financial statements of the Company, viz. March 31, 2016.

As explained in the following paragraphs, the consolidated proforma balance sheet as at March 31, 2016 has been prepared to reflect the acquisition by S Chand of Chhaya as of March 31, 2016 as if acquisition happened on March 31, 2016 itself. The consolidated proforma statements of profit and loss account the year ended March 31, 2016 and for the nine months ended December 31, 2016 combine the financial statements of consolidated S Chand for the year ended March 31, 2016 and for the nine months period ended December 31, 2016 and Chhaya for the year ended March 31, 2016 and for the period from April 1, 2016 to December 5, 2016 respectively as if the acquisition occurred on April 1, 2015 and April 1, 2016 respectively. The financial year end of the Company and that of Chhaya is March 31. The adjustments made to the proforma financial information are included in the following sections.

The consolidated proforma financial information is based on:

a) the restated consolidated balance sheet as at March 31, 2016 and restated consolidated profit and loss accounts of S Chand for the year ended March 31, 2016 and for nine months ended December 31, 2016 ;

b) the audited consolidated balance sheet and profit and loss account of Chhaya prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) for as at and for the year ended March 31, 2016 and the audited consolidated profit and loss account for the period from April 1, 2016 to December 5, 2016.

3) Proforma adjustments

The audited financial statements of Chhaya have been prepared as per Indian GAAP and adjusted to comply with S Chand group accounting policies in all material aspects (collectively referred to as "Group accounting policies" as appearing in Consolidated restated summary statements). These financial information are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The following adjustments have been made to the historical financial statements (as mentioned above) to present the acquired entity consistently with the post-acquisition group structure.

The following adjustments have been made to present the unaudited consolidated proforma financial information:

i. Reclassification

a) Turnover discount amounting to Rs. 17.80 million for the year ended March 31, 2016 and Rs. 18.54 million for the period from April 1, 2016 to December 5, 2016 grouped as selling and distribution expenses and discount on sale of Rs. 2.28 million for the year ended March 31, 2016 and Rs. 2.75 million for the period from April 1, 2016 to December 5, 2016 grouped as other expenses has been netted off from sales**.**

b) Contractual labor expenses amounting to Rs. 28.23 million for year ended March 31, 2016 and Rs. 20.51 million for the period from April 1, 2016 to December 5, 2016 grouped as employee benefit expenses has been reclassified as other expenses**.**

ii. Change in accounting policy

a) Adjustment for sales return: Chhaya has accounted for sales return at the point of goods return back from customers whereas the Company's accounting policy is to account for sales return (net of cost) at the time of recognition of sales itself on estimated basis. As a result, a provision for sales return (net of cost) has been recognized on total sales of Chhaya. Related tax effect adjustment has also been done for this adjustment.

iii. Acquisition related adjustments:

a) As explained above, for purposes of the consolidated proforma balance sheet the acquisition of Chhaya was assumed to have taken place at March 31, 2016. The goodwill has been calculated based on the balance sheet of Chhaya as at March 31, 2016 after giving effect to the adjustments described in point 3 (i) and (ii) above. As on March 31, 2016, the book value of the net assets of Chhaya acquired as on March 31, 2016, amounted to Rs. 166.41 million. Accordingly an amount of Rs. 1,576.91 million, being the excess of the aggregate of the purchase consideration for the acquisition over its share of net assets acquired has been recognized as goodwill on consolidation under Fixed Assets, based on the principles of AS 21 – "Consolidated Financial Statements". The balance of the net assets has been accounted for and shown as Minority Interest. Minority interest in profit/(loss) of Chhaya for the year ended March 31, 2016 and for the period from April 1, 2016 to December 5, 2016 has been adjusted in the consolidated proforma statement of profit and loss for the year ended March 31, 2016 and for nine months period ended December 31, 2016.

b) The financing of the entire transaction has been done by through a Rupee term loan amounting to Rs. 1,520 million which has been used to discharge the purchase consideration and remaining Rs. 180.05 million from internal accruals. The secured loans under Other Current Liabilities (Current Maturities of Long Term Borrowings) appearing in the consolidated proforma balance sheet as at March 31, 2016 have been increased by this amount assuming that the acquisition happened as of that date. Similarly cash and bank balances has been decreased by Rs. 180.05 million. An imputed interest expense and processing charges on this loan amount has been recorded in the consolidated proforma statement of profit and loss account under "Finance Costs" for the periods presented. For the purposes of reflecting the consolidated proforma balance sheet, the loans are assumed to have been taken on the date of the balance sheet and accordingly do not reflect the accrued interest thereon and the Reserves and Surplus also exclude the effect of this imputed interest cost. Related tax effect adjustment has also been done for this adjustment.

4) Use of proceeds

Though one of the objects of the proposed offering is to repay a part of the acquisition related debt, since the proforma financial information has been prepared for purposes of illustrating the hypothetical impact of the acquisition, no adjustment has been made for the use of proceeds or related share issue expenses.

5) Other than as mentioned above, no additional adjustments have been made to the unaudited consolidated proforma balance sheet or the income statement to reflect any trading results or other transactions of the Company entered into subsequent to March 31, 2106 and December 31, 2016 respectively.

6) The Company has divested its shareholding in one of its subsidiary company i.e., Arch Papier Mache Private Limited on December 8, 2016 for a total sales consideration of Rs. 4.86 million. The said subsidiary was not a material subsidiary to the Company and hence, in the preparation and presentation of proforma financial information, it is not included in accordance with the requirements of clause (23) of point (IX)(B) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date.

FINANCIAL STATEMENTS OF CHHAYA PRAKASHANI PRIVATE LIMITED

FINANCIAL INFORMATION OF THE RELEVANT ENTITY IN RELATION TO ACQUISITION OF CHHAYA PRAKASHANI PRIVATE LIMITED

ACCOUNTANT'S REPORT

The Board of Directors
S Chand and Company Limited
7361, Ram Nagar, Qutab Road
New Delhi-110055
India

March 29, 2017

Acquisition of Chhaya Prakashani Private Limited

The following is the accountants report ("**Accountant's Report**") in relation to the Statement of Assets and Liabilities and Profit and Loss of Chhaya Prakashani Private Limited (the "**Company**"). This Accountant's Report is issued pursuant to the requirements of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**"), as amended, issued by the Securities and Exchange Board of India ("**SEBI**"):

Dear Sirs,
We are attaching a schedule containing the following, which has been initialed for identification purposes:

Profit and Loss Account of the Company for the fiscal years/period ended and Statement of Assets and Liabilities as on 31 December, 2016, 31 March 2016, 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012;

Corporate structure (see Appendix One)

The Company comprises the following entities (being wholly owned subsidiaries):

- Indian Progressive Publishing Co. Private Limited
- Publishing Services Private Limited

Basis of Preparation:

1. We have examined the financial information of the Company proposed to be included in the draft red herring prospectus, red herring prospectus, prospectus and any other document relating to proposed initial public offer of S Chand and Company Limited ("**S Chand**") in connection with the proposed initial public offering of equity shares of S Chand ("**Issue**").

2. We have been informed that S Chand has prepared pro forma financial statements for fiscal year ended 31 March 2016 and for the nine months period ended 31 December 2016, which are incorporated in the draft red herring prospectus, and which evaluate the impact of the acquisition of the Company by S Chand on the financial statements of S Chand had the acquisition been undertaken at an earlier date i.e. 1 April, 2015.

3. The attached schedule has been extracted from the audited consolidated financial statements of the Company made available to us.

4. These historical financial statements were prepared in "Rupees" on a consolidated basis in accordance with the accounting principles generally accepted in India ("**Indian GAAP**") and were audited by "independent auditors" as given hereunder:

Fiscal Year	Parent Company	Auditors
2012	Chhaya Prakashani Private Limited	D. Das & Kamaluddin

2013	Chhaya Prakashani Private Limited	D. Das & Kamaluddin
2014	Chhaya Prakashani Private Limited	D. Das & Kamaluddin
2015	Chhaya Prakashani Private Limited	B. Chhawchharia & Co.
2016	Chhaya Prakashani Private Limited	B. Chhawchharia & Co.

5. We have made no adjustments to the attached schedule that has been extracted from the audited financial statements on account of change in holding structure or whatsoever. This schedule is prepared on the basis of audited historical financial statements on a consolidated basis that are made available to us.

   Further, we confirm that there are no qualifications, adverse remarks or matters of emphasis made by statutory auditors for each of the financial years/period ended 31 December, 2016, 31 March 2016, 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012.

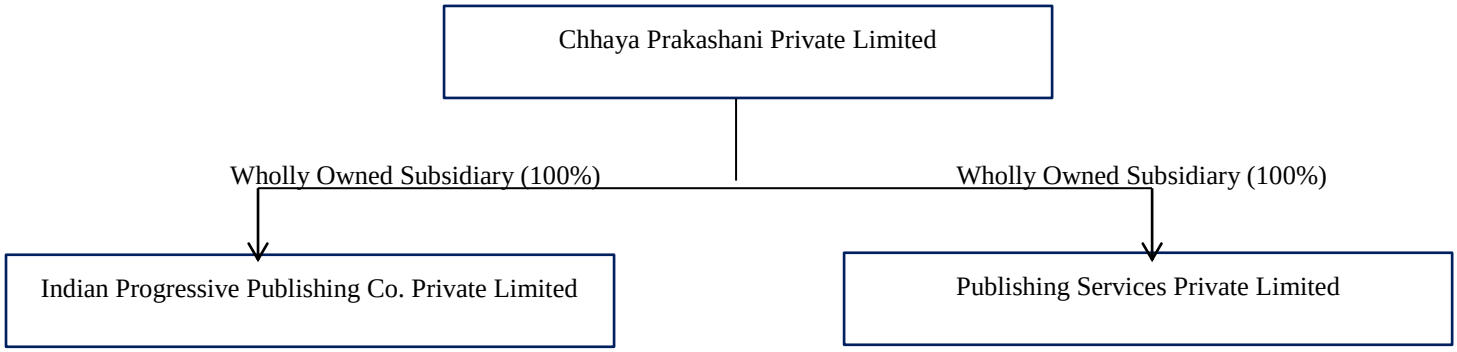
Statement of Assets and Liabilities (*See appendix two*)

Statement of Profit and Loss (*See appendix three*)

For B. Chhawchharia & Co.
Firm Registration Number: 305123E
Chartered Accountants

Ketan Chhawchharia
Partner
Membership number: 63422
Place : Kolkata
Date : March 29, 2017

Appendix One: Corporate Structure



Appendix Two: Statement of Assets and Liabilities

(in ₹ millions)

Particulars	As of December 31, 2016	As of March 31, 2016	As of March 31, 2015	As of March 31, 2014	As of March 31, 2013	As of March 31, 2012
Equity and Liabilities						
Shareholders' funds						
Share capital	14.83	14.83	14.58	l1.31	10.00	10.00
Reserves and surplus	215.08	155.22	180.92	96.02	48.78	26.42
Minority interests	NIL	NIL	NIL	NIL	NIL	NIL
Total equity	**229.91**	**170.05**	**195.50**	**107.33**	**58.78**	**36.42**
Current Liabilities						
Short-term borrowings	30.00	26.05	0.05	62.71	36.39	NIL
Trade payables	74.81	103.81	117.93	81.54	47.67	76.50
Other current liabilities	11.53	21.25	25.55	24.67	11.01	10.46
Short-term provisions	269.01	251.67	84.04	NIL	NIL	NIL
Total current liabilities	**385.35**	**402.78**	**227.57**	**168.92**	**95.07**	**86.96**
Non-Current Liabilities						
Long-term borrowings	NIL	0.03	3.47	3.01	2.02	3.04
Deferred tax liabilities (net)	NIL	NIL	NIL	NIL	NIL	0.08
Long term provisions	0.51	0.68	0.06	NIL	3.61	1.37
Other non-current liabilities	NIL	NIL	NIL	NIL	71.36	31.56
Total non-current liabilities	**0.51**	**0.71**	**3.53**	**3.01**	**76.99**	**36.04**
Total Equity and Liabilities	**615.77**	**573.54**	**426.60**	**279.26**	**230.84**	**159.42**
Assets						
Non-Current Assets						
Fixed assets						
- Tangible assets	12.16	16.39	14.00	129.52	143.09	34.59
- Intangible assets	5.10	3.51	2.85	3.71	0.49	0.46
- Capital work-in-progress	NIL	NIL	NIL	NIL	NIL	NIL
- Intangible assets under development	NIL	NIL	NIL	NIL	NIL	NIL
Non-current investments	7.14	54.04	67.96	2.13	2.14	4.00
Deferred tax assets (net)	1.79	2.13	1.23	0.10	0.08	NIL
Long-term loans and advances	2.01	1.55	1.01	0.96	0.51	25.97
Other non-current assets	NIL	83.33	83.09	NIL	5.73	0.58
Total non-current assets	**28.20**	**160.95**	**170.14**	**136.42**	**152.04**	**65.60**

Particulars	As of December 31, 2016	As of March 31, 2016	As of March 31, 2015	As of March 31, 2014	As of March 31, 2013	As of March 31, 2012
Current Assets						
Current investments	NIL	3.04	NIL	NIL	NIL	11.14
Inventories	117.81	105.16	159.64	105.58	54.92	63.57
Trade receivables	102.22	64.93	16.32	20.34	10.41	7.82
Cash and bank balances	53.08	35.31	13.77	4.89	3.99	1.85
Short-term loans and advances	313.98	203.55	66.73	12.03	9.48	9.44
Other current assets	0.48	0.60	NIL	NIL	NIL	NIL
Total current assets	**587.57**	**412.59**	**256.46**	**142.84**	**78.80**	**93.82**
Total Assets	**615.77**	**573.54**	**426.60**	**279.26**	**230.84**	**159.42**

Appendix Three: Statement of Profit and Loss

(in ₹ millions)

Particulars	For the quarter ended December 31, 2016	For the fiscal year ended March 31, 2016	For the fiscal year ended March 31, 2015	For the fiscal year ended March 31, 2014	For the fiscal year ended March 31, 2013	For the fiscal year ended March 31, 2012
Income						
Revenue from operations	469.99	1,272.28	696.88	393.90	280.25	246.15
Other income	5.23	13.96	8.86	3.88	1.10	1.67
Total Revenue	**475.22**	**1,286.23**	**705.74**	**397.78**	**281.35**	**247.82**
Expenses						
Cost of raw materials and components consumed	131.35	316.07	218.84	108.97	120.77	120.50
Purchases	NIL	NIL	27.34	90.54	60.43	53.13
Direct expenses	108.33	247.39	121.29	90.50	NIL	NIL
(Increase)/decrease in inventories of finished goods, work in progress and traded goods	(7.86)	21.59	(6.71)	(26.58)	(1.79)	(19.44)
Selling and distribution expenses	51.86	109.55	79.24	NIL	NIL	NIL
Employee benefits expense	65.24	80.79	53.42	24.24	19.73	14.99
Other expenses	22.95	32.45	23.27	45.15	41.55	51.66
Total Expenses	**371.87**	**807.85**	**516.70**	**332.82**	**240.69**	**220.84**
EBITDA	**103.35**	**478.38**	**189.03**	**64.96**	**40.66**	**26.98**
Depreciation and amortization expense	5.62	8.82	7.93	2.59	2.24	0.89
Finance costs	0.04	0.33	5.06	5.88	5.28	1.14
Profit before tax, minority interest and share of associate companies	**97.69**	**469.24**	**176.04**	**56.49**	**33.14**	**24.94**
Current tax	38.83	167.66	61.81	18.45	l0.95	8.24
MAT credit available	NIL	NIL	NIL	NIL	NIL	NIL
Short / (excess) provision in income tax in earlier years	NIL	NIL	NIL	NIL	NIL	NIL
Deferred tax	(0.20)	(0.77)	(1.07)	(0.02)	(0.16)	0.04
Total tax expense	**38.63**	**166.89**	**60.74**	**18.43**	**10.79**	**8.28**
Profit after tax and before minority interest and share of associate company	**59.06**	**302.35**	**115.31**	**38.05**	**22.36**	**16.66**
Less: Minority interest in profit for the year	NIL	NIL	NIL	NIL	NIL	NIL
Less: Share in loss of associate company	NIL	NIL	NIL	NIL	NIL	NIL
Net profit for the year	**59.06**	**302.35**	**115.31**	**38.05**	**22.36**	**16.66**

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for the purposes of purchasing machinery, raw materials, spares, stores, vehicles and financing working capital requirements. Our Company also provides guarantees in relation to loans availed by our Subsidiaries as and when required. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities, such as change in our board of directors, change in our capital structure, change in our shareholding pattern and change in our constitution.

Pursuant to the resolution dated August 23, 2016 passed by our Board and resolution dated August 31, 2016 passed by our shareholders, our Board is authorized to borrow up to ₹ 3,250 million (exclusive of cash credits and working capital facilities) at any given point of time.

Set forth below is a brief summary of our aggregate consolidated borrowings as of March 15, 2017:

(*₹ in million*)

Category of borrowing	Sanctioned Amount*	Outstanding amount* as on March 15, 2017
Term loans		
Secured	3,083.81	2,334.88
Unsecured	-	-
Other borrowings		
Secured	2,145.00	1,886.85
Unsecured	Nil**	8.77
Total	**5,228.81**	**4,230.50**

** Excluding inter company loans and debentures.*

*** In case of unsecured loan from Director, sanctioned amount taken as nil.*

Principal terms of the borrowings availed by us:

A. ***Interest:*** In terms of the loans availed by us, the interest rate is typically linked to the base rate of a specified lender and margin of the specified lender. The spread varies between different loans.

B. ***Tenure:*** The tenure of the term loans availed by us typically ranges from three years to seven years.

C. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

(i) Create a first *pari passu* charge by way of hypothecation on our Company's existing and future current and entire movable fixed assets;

(ii) Create a first *pari passu* charge by way of pledge of equity shares of certain subsidiary (including all convertible instruments) held by our Company in favour of the lender;

(iii) Exclusive charge by way of hypothecation of equipment bought from the facility;

(iv) Provide corporate guarantees for the loans availed by our Subsidiaries; and

(v) Provide personal guarantees of certain of our Promoters.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

D. ***Re-payment:*** The term loans are typically repayable within a period of three years to seven years.

E. ***Events of Default:*** Borrowing arrangements entered into by our Company contain standard events of default, including:

- Failure to promptly pay any amount including any outstanding amounts owed to the lenders under the facility;

- Failure to duly observe or perform any obligation under the facility agreements or under any other agreement with the lender or any other person;

- Any representation made by our Company to the lender, found by the lender to be false or misleading;

- The threat or apprehension of or the occurrence of any damage to or loss, theft, misappropriation or destruction of any of the secured assets, secured third party assets or of any other security created in favour of the lender or of any assets of our Company;

- The occurrence of any event or condition which, in the lender's opinion, constitutes or could constitute a material adverse change in the business, financial condition or prospects of our Company to perform any of its obligations to the lender or which, in the lender's opinion, materially impairs the value of the security if any that may have been provided;

- Company entering into any arrangement or composition with its creditors or committing any act of insolvency, or any act the consequence of which may lead to the insolvency or winding up of our Company;

- Execution or distress or other process being enforced or levied upon or against the whole or any part of our Company's property whether secured to the lender;

- Any order being made or a resolution being passed for the winding up of our Company (except for the purpose of amalgamation or reconstruction with the prior approval of the lender);

- A receiver being appointed in respect of the whole or any part of the property of our Company;

- Company ceasing to carry on business or giving notice or intention to do so;

- Any attempt by our Company, without the consent of the lender in writing, to create any mortgage, charge, pledge, hypothecation or lien or encumbrance ranking in priority to or *pari-passu* with the security provided to the lender;

- Failure by our Company to continue repayment;

- Inability to pay debts, proceedings of winding up, or our Company being declared or considered to be a sick company, or a relief undertaking or a protected company or a sick industrial company or a protected industrial company or otherwise, under any law, statute, rule, ordinance, etc., which would have the effect of suspending or waiving all or any right against our Company or in respect of any contract or agreement concerning our Company;

- The passing of any order of a court ordering, restraining or otherwise preventing our Company from conducting all or any material part of its business; and

- The cessation of business by or the dissolution, winding-up, insolvency, liquidation of our Company.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us. Additionally, our Company is required to ensure the aforementioned events of default and other events of default as specified under the corporate guarantees provided by our Company are not triggered.

MANAGEMENTS' DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition, results of operations and cash flows together with the Restated Consolidated Summary Statements, including the notes and schedules thereto, included in the section entitled "**Financial Statements**" on page 207. You should also read the section entitled "**Risk Factors**" on page 16, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows, and the section entitled "**Our Business**" on page 134, which presents important information about our business.*

The following discussion is based on our Restated Consolidated Summary Statements and, in relevant parts, on internally prepared statistical information and publicly available information.

Our Restated Consolidated Summary Statements included in this Red Herring Prospectus are prepared in accordance with the SEBI ICDR Regulations, which differs in certain material respects from IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements in this Red Herring Prospectus will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP and accounting standards and practices.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the 12-month period ended March 31 of that fiscal year. Unless otherwise specified, all amounts in this section are stated on a consolidated basis.

In this section, references to "we" and "our" are to S Chand And Company Limited and its Subsidiaries on a consolidated basis and references to Chhaya are to Chhaya Prakashani Private Limited and its subsidiaries on a consolidated basis.

Our acquisition of 74% of the share capital of Chhaya Prakashani Private Limited was completed on December 5, 2016. We have consolidated the financial statements of Chhaya as at December 31, 2016 and for the period from December 6, 2016 to December 31, 2016 in our Restated Consolidated Financial Statements for the nine months period ended December 31, 2016. The financial statements of Chhaya have not been consolidated in our Restated Consolidated Financial Statements for Fiscal 2016 or any prior Fiscal Year.

Overview

We are a leading Indian education content company in terms of revenue from operations in Fiscal 2016. (*Source: Nielsen Research Report*). We deliver content, solutions and services across the education lifecycle through our K-12, higher education and early learning segments. We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India. As of December 31, 2016, we offered 55 consumer brands across knowledge products and services including *S. Chand, Vikas, Madhubun, Saraswati, Destination Success* and *Ignitor.* We believe that these brands have benefited by our strong brand management philosophy which embraces consistent efforts to upgrade content quality and to update content regularly. Further, in December 2016, we acquired 74% of the outstanding share capital of Chhaya Prakashani Private Limited (our "Chhaya Acquisition"), and we now offer four Chhaya brands including *Chhaya* and *IPP*. Our textbooks and instructional materials are supported by our offering of technology driven methods of education and digital learning. We sell our knowledge products and services to schools and to students across their lifecycle through our extensive pan-India network of sales offices, distributors and dealers.

As of December 31, 2016, our distribution and sales network (not including Chhaya) consisted of 4,932 distributors and dealers, and we had an in-house sales team of 838 professionals working from 52 branches and marketing offices across India. Our Chhaya Acquisition has expanded our presence in Eastern India to include an additional 771 distributors and dealers as of December 31, 2016. We consider our schools, teachers and students to be our "touch points", and our sales teams are responsible for forging relationships with our customers across our K-12, higher education and early learning businesses. In our K-12 business, we market our content to educators and schools to place our products on prescribed and recommended reading lists. In higher education and early learning, we market our products directly to distributors, dealers and customers.

We have developed a robust supply chain by rationalizing and integrating our procurement, manufacturing and

logistic capabilities. In Fiscal 2016, over 85% of our printing requirements were met by our facilities located in Sahibabad and Rudrapur. Our print facilities and distribution networks are supported by our logistics network, which as on December 31, 2016, comprised 42 warehouses located in 19 states to allow coverage across India. Our paper purchases are integrated, which helps us to achieve economies of scale and improves our bargaining power with raw material suppliers.

Key Financial Information

The table below sets forth our key operational and financial information and data on a consolidated basis for the nine months ended December 31, 2016 and for Fiscal 2016, Fiscal 2015 and Fiscal 2014:

(*in ₹ millions*)

Particulars	For the 9 months ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Total revenue	1,508.01	5,406.27	4,785.00	3,709.54
Total expenses	2,343.69	4,124.11	3,744.57	2,911.74
Restated EBITDA	(835.68)	1,282.16	1,040.43	797.79
Restated profit/(loss) before tax, minority interest and share of associate companies	(1,263.05)	726.55	536.59	585.85
Total tax expense	(395.17)	232.89	195.26	160.14
Restated profit/(loss) after tax and before minority interest and share of associate companies	(867.88)	493.66	341.33	425.71
Restated profit/(loss) for the period/year	(884.88)	466.42	327.61	425.71
- Attributable to our Shareholders	(897.20)	466.37	268.45	423.42
- Attributable to minority interest	12.32	0.05	59.16	2.29

Revenue by Business

Our revenue by business segment for the past three fiscal years is set forth in the following table.

(*in ₹ millions*)

Particulars	Fiscal 2016	Fiscal 2015	Fiscal 2014
K-12	**3,898.21**	**3,378.18**	**2,172.53**
Higher Education			
Test Preparation	578.50	438.82	446.34
College and University/ Technical and Professional	703.81	798.62	898.66
Total Higher Education	**1,282.31**	**1,237.44**	**1,345.00**
Early Learning	**172.69**	**135.61**	**172.78**
Miscellaneous Income	**24.33**	**15.34**	**9.79**
Total consolidated operating revenue	**5,377.54**	**4,766.57**	**3,700.10**

In Fiscal 2016, Chhaya had consolidated operating revenue of ₹1,272.28 million. The K-12 business of Chhaya was their largest business segment with ₹1,230.56 million of consolidated revenues in Fiscal 2016 which represented 96.72% of Chhaya's total business.

Our Businesses

Our operations are diversified to cover the entire student lifecycle: K-12, higher education and early learning.

Our K-12 content portfolio includes titles covering courses offered in the schools. Our sales are primarily of printed content and material but we also offer various forms of hybrid offering (which includes digitally enabled content with printed material) and supplemental services in the digital domains to enhance sales. K-12 is our largest business, contributing to 72.49% of our consolidated operating revenues in Fiscal 2016, amounting to ₹3,898.21 million. From Fiscal 2012 to Fiscal 2016, our K-12 business grew at a CAGR of 46.83%.

Our higher education content portfolio covers two components: (i) test preparation and (ii) college and university/ technical and professional. Higher education is our second largest business and it contributed 23.85% of our consolidated operating revenue in Fiscal 2016, amounting to ₹1,282.31 million. From Fiscal 2012 to

Fiscal 2016, our higher education business grew at a CAGR of 11.28%. Two components of our higher education segment accounted for the following:

- Test preparation contributed 10.76% of our consolidated operating revenue in Fiscal 2016, amounting to ₹578.50 million. From Fiscal 2012 to Fiscal 2016, our test preparation and competitive materials business grew at a CAGR of 15.31%.

- In Fiscal 2016, our college and university/ technical and professional business contributed 13.09% of our consolidated operating revenue, amounting to ₹703.81 million. From Fiscal 2012 to Fiscal 2016, our college and university business grew at a CAGR of 8.43%.

Our early learning business caters to our youngest customer market (0-4 years of age) and provides children's books, educative board games, activity kits, puzzles, experimental kits and augmented reality enabled products used at the beginning of the student career. In Fiscal 2016, our early learning business contributed 3.21% of our consolidated operating revenue, amounting to ₹172.69 million.

Acquisition of Chhaya

On December 5, 2016, we purchased 74% of the outstanding share capital of Chhaya Prakashani Private Limited for an aggregate consideration of ₹1,700.05 million. Under the share purchase agreement, dated November 14, 2016, our Company acquired 43.53% and EPHL has acquired 30.47% of the outstanding share capital of Chhaya Prakashani Private Limited.

Chhaya is a regional educational content provider in Eastern India with a strong presence in West Bengal and was acquired as part of our strategy to build our business with state board students and schools.

We are obligated to acquire the remaining 26% of the outstanding share capital of Chhaya Prakashani Private Limited on or after November 15, 2018. The consideration the remaining 26% is based on a formula tied to the operational EBITDA of Chhaya in Fiscal 2018, subject to certain adjustments. We have financed ₹1,504 million of the acquisition cost by a secured term debt facility with Axis Finance Limited (the "Axis Facility") at a current annual interest cost of 11.25%. The facility has a repayment tenure of five years including a moratorium period of 18 months with 14 quarterly instalments. A portion of the proceeds from the Fresh Issue will be used to repay the Axis Facility. For further information, see the section entitled "***Objects of the Offer***" page 100.

We consolidated Chhaya from December 6, 2016 under Indian GAAP less minority interest until the remaining 26% is acquired. Under the new Indian accounting standards IND (AS), which will be applicable to us from April 1, 2017, it is likely that our Company will be able to consolidate 100% of Chhaya's profits from Fiscal 2017 onwards and will be required to treat the consideration for the second tranche as a liability in our consolidated accounts.

For the nine month period ended December 31, 2016, Chhaya has been consolidated for 26 days. For the full Fiscal 2017, Chhaya's results of operations will have a material impact on our results of operations, including our revenue and net profit from the date of consolidation. In particular, our finance costs for the remainder of Fiscal 2017 will increase to reflect the interest payable under, and processing fees of ₹13.11 million related to, the Axis Facility. Our other expenses in Fiscal 2017 may also be increased by acquisition and integration related costs.

Our balance sheet at December 31, 2016 reflects the addition of Chhaya's assets and liabilities as part of its consolidation. Chhaya, however, had no long term borrowings as of December 31, 2016 and no contingent liabilities as at such date. Our cash flows for financing activities for the nine month period ended December 31, 2016 was impacted, and for the Fiscal 2017 will be impacted, by our financing of the acquisition by the Axis Facility, and our cash flows from investing and operating activities will also be impacted by the acquisition of Chhaya.

Our Company and its subsidiaries including Chhaya is and will continue to be subject to various risks and uncertainties, including those discussed in the section "***Risk Factors***" as well as the factors described in "***Significant Factors Affecting Our Results of Operations***" below.

The chief executive officer of Chhaya Prakashani Private Limited has agreed to continue employment until March 31, 2018. Our Company has the right to appoint six directors, which will consist of two independent

directors and the 26% minority shareholders of Chhaya Prakashani Private Limited have the right to appoint two directors on the eight member board of Chhaya Prakashani Private Limited.

Chhaya Financial Information and Pro Forma Financial Information

Chhaya's consolidated revenue from operations was ₹ 1,272.28 million and ₹ 696.88 million and consolidated profit after tax was ₹ 302.35 million and ₹ 115.31 million, in each of Fiscal 2016 and Fiscal 2015, respectively.

The summary of consolidated financial statements of Chhaya set forth in the accountants report containing its consolidated statement of assets and liabilities at December 31, 2016 and at March 31, 2016, 2015, 2014, 2013 and 2012 and the profit and loss statements for the nine month period ending December 31, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 ("**Chhaya Consolidated Financials**") are set forth in the section entitled "***Financial Information of Chhaya Prakashani Private Limited***" on page 410.

Due to several Chhaya restructuring transactions, the Chhaya Consolidated Financials in Fiscal 2016 include certain entities that were not consolidated in the Chhaya Consolidated Financials in prior fiscal years, and, therefore, Chhaya's results may not be comparable on a period to period basis. In addition, the revenues of Chhaya Fiscal 2016 were positively impacted due to elections in West Bengal in 2016, which resulted in the higher secondary examinations being preponed and in April 2016 sales being preponed to March 2016 due to early commencement of the sales season for higher secondary content. We also understand from the management of Chhaya that its business is seasonal and careful consideration of that seasonality should be considered when reviewing the Chhaya Consolidated Financials.

To assist in understanding the acquisition and consolidation of Chhaya, we have prepared Proforma Financial Statements on a consolidated basis for the nine months ending December 31, 2016 and for Fiscal 2016, which are set forth in the section entitled "***Proforma Financial Statements***" on page 401. Our Proforma Financial Statements have been prepared in accordance with the requirements of paragraph 23 of item (IX)(B) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date issued by the SEBI, on the basis of the assumptions set forth in the notes to the Proforma Financial Statements. Accordingly, our Proforma Financial Statements are illustrative only and should not be taken as an indication of the financial impact of consolidation of Chhaya or our future results of operation, cash flows and financial condition.

Our Proforma Financial Statements have not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such pro forma information should be limited. In addition, the rules and regulations related to the preparation of pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in our Notes to the Proforma Financial Statements.

Significant Factors Affecting Our Results of Operations

Our business is subject to various risks and uncertainties, including those discussed in the section "***Risk Factors***". The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our results of operations, financial conditions and cash flows.

Acquired businesses

We have used acquisitions and investments to expand our product portfolio and our geographic and state board presence, and as part of our business strategy we expect that we will make strategic acquisitions and investments in the future. As we have completed the acquisitions and investments at various times, our consolidated results of operations may not be comparable on a period to period basis.

VPHPL (including our Madhubun brand) was acquired in Fiscal 2013 with partial earnings consolidation in the second half of Fiscal 2013 with the first full year consolidation in Fiscal 2014. We acquired a 51.22% equity interest in NSHPL (and our Saraswati brand) in Fiscal 2015 and the remaining 48.78% was acquired in Fiscal 2016. Our first partial earnings consolidation of NSHPL occurred in Fiscal 2015 from May 17, 2014, with the first full year consolidation in Fiscal 2016. Safari Digital, our subsidiary, acquired a minority shareholding of 33.57% in the outstanding share capital of ETIPL in Fiscal 2015 and increased its shareholding to 44.66% of the outstanding share capital of ETIPL in Fiscal 2016. The first partial consolidation of ETIPL as an associate

occurred in Fiscal 2015 from September 8, 2014 with the first full year consolidation as an associate in Fiscal 2016. We increased our shareholding in DSDPL from 48.37% to 99.9% in Fiscal 2015 and, accordingly, consolidated the results of operations of DSDPL as a joint venture until Fiscal 2014 and as a subsidiary from Fiscal 2015. For information on our Chhaya acquisition, please see "***Acquisition of Chhaya***" above.

In addition, in certain periods our consolidated results of operations have been, and may be in future, affected by additional expenses in connection with these acquisitions and investments and in consolidating and integrating the acquired businesses.

The acquisition and integration of acquired businesses involve a number of risks which are set forth in in the section entitled "***Risk Factors***" on page 16.

Our business is seasonal

Our business and the newly acquired business of Chhaya is linked to the academic cycle, and is, therefore, seasonal. In the K-12 segment, our sale season is linked to commencement of new academic cycle which has traditionally been in the fourth quarter of the financial year. Chhaya's sales season generally spans across first and fourth quarters of the financial year with the main sales season starting in December. Upon consolidation of Chhaya with us, Chhaya's longer sales season will help reduce the concentration of our revenue and cash flows in fourth quarter.

Our higher education businesses experiences limited seasonality as sales take place throughout the year through retailers and online sales platform but with slightly lower sales during the first and third quarters of the financial year.

Our sales seasonality in our K-12 segment materially affects operating revenue, margins and cash flows from quarter to quarter. Accordingly, as per our management estimates, our operating revenues and margins during the first three Fiscal quarters have typically been lower, compared to the fourth Fiscal quarter. There also are months when we operate at a net cash deficit from our activities. Our results of operations for each of the first three quarters of a Fiscal year and for the first nine months of a Fiscal year typically have shown a loss, while our fourth quarter has typically shown higher net sales than those of the previous three Fiscal quarters and shown a profit for such fourth quarter and for the entire Fiscal year. In addition, our quarter-on-quarter data regarding our operating revenue, margins and cash flows may not be comparable for any future Fiscal quarters. Further, we can make no assurance that our fourth quarter net sales in future fiscal years will continue to be sufficient to meet our obligations or that our fourth quarter net sales will be higher than net sales for our other quarters or that we will make a profit in the fourth quarter. These factors may make it difficult for us to prepare accurate internal financial forecasts. Lower than expected net sales in the fourth quarter of a given financial year could have a material adverse effect on our business, results of operations and financial condition.

Working capital cycle and inventory levels

The working capital cycle for print content in the CBSE/ICSE K-12 education industry tends to be unduly high at the fiscal year end on account of high sales in the last quarter, which then tapers down in subsequent quarters.

Due to the sales seasonality of our K-12 business, our peak inventory build-up is in the third quarter, and therefore we need significant warehousing capabilities during this time. Our peak receivables in our K-12 segment build up in the fourth quarter and taper down in the first three quarters of the financial year. In addition, our K-12 business cycle starts with preparation of samples for marketing which usually takes place in the period from July to December each year. Our failure to manage our business processes effectively to meet the seasonality demands of our business or failure of our warehousing capabilities to meet inventory demands could have a material adverse effect on our business, results of operations and financial condition.

As mentioned above, Chhaya's sales season generally spans across two quarters of a fiscal year where our sales season has traditionally been more concentrated across one quarter. In addition, a significant proportion of Chhaya sales have a very short credit period. These factors are expected to help improve the overall inventory management, credit period and receivables outstanding for us as a whole.

Our interest expenses could materially impact our cash flows in certain quarters

As of December 31, 2016, our long-term borrowings were ₹ 2,345.95 million, which included current maturities

of long-term borrowings of ₹ 1,751.40 million. As of December 31, 2016, our short-term borrowings were ₹ 1,831.08 million. In December 2016, we incurred additional secured term debt of ₹1,570 million, of which ₹1,504 million was used to finance the Chhaya acquisition. See "***Acquisition of Chhaya and Pro Forma Financial Information***" above. Our interest expense was ₹293.32 million in Fiscal 2016 and ₹204.81 million in the nine months ended December 31, 2016, and our interest expenses in Fiscal 2017 will increase due to the Axis Facility debt for the Chhaya acquisition. Our interest expense could have a material impact on our cash flows in certain quarters due to the seasonality of our business which in turn could have a material adverse affect on our business, results of operations and financial condition as a whole.

Our gross margins may fluctuate with paper prices and with outsourcing printing requirements

Our cost of raw materials and components consumed as a percentage of total revenue was 32.49%, 37.25% and 40.22% in Fiscal 2016, 2015 and 2014. The primary raw material for our business is paper and paper prices in India fluctuate in the open market. Paper and other raw materials have historically been available from a number of independent suppliers, although we cannot assure you that this will continue to be the case in the future. We source our paper from independent suppliers with whom we enter into short term fixed price contracts which typically are for a 12 month period. We believe that our increased consumption and scale on account of organic growth and acquisitions give us improved bargaining power with our paper suppliers but our paper procurement costs will continue to fluctuate period on period. Unexpected pricing volatility for paper and print materials, an increase in the price of paper and such materials or inflation could result in increased cost of raw materials and components and adversely impact our gross margins. In addition, the introduction of GST may also impact the price of paper and our paper expenses.

In Fiscal 2016, we handled 85.56% of our printing and binding requirements in-house at our printing facilities located at Sahibabad and Rudrapur. We outsource the printing and binding of our remaining products which is currently handled by various vendors. Further, Chhaya outsources all of its printing requirements; accordingly, our reliance on third party vendors will likely increase. From time to time, our outsourced printing requirements may increase due to disruptions in our operations and due to certain rush printing jobs required during peak season. Our gross margins may be adversely affected if our outsourcing requirements increase for these or other reasons.

Our revenues depend on authors

We believe that our ability to attract and retain leading authors has been critical to the success of our brands. We have a contractual relationship with at least 1,958 authors (including co-authors) for over five years as on March 31, 2016. Additionally, Chhaya has contractual relationships with at least 24 authors (including co-authors) for over five years as on March 31, 2016. While we have an in-house content development team, a significant portion of our revenues are derived from titles and content licensed from authors, with whom we usually enter long-term royalty agreements. Our royalty arrangements are based on a percentage of the maximum retail price or net sales price. This concentration of revenue could potentially place us at a disadvantage with respect to negotiations regarding payment of royalties and other terms. In addition, this concentration increases the risk that the loss of, or problems with, a single author could have significant effect on our sales and profitability. The loss of authors or increased royalties could adversely affect our business, results of operations and financial condition.

Our investments in new products and distribution channels may not be profitable and may be loss-making

In order to maintain a competitive position, we continue to invest in new education and knowledge based products and new channels of content delivery. In some cases, our investments may take the form of an acquisition or investment. Our investments in new products or distribution channels, such as digital platforms, tutor marketplaces and delivery platforms such as tablets and e-readers, whether developed in-house or through investee companies, may be less profitable than what we have experienced historically, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

Unexpectedly large returns by our distributors could adversely affect our financial results

We typically permit our distributors to return products up to a certain value that they purchase from us if the products are not sold within a prescribed time period or if the product does not conform to specifications (like misprint or other damage) at the same cost for which the products were purchased from us.

If we receive a greater number of returns than provided for, based on historical averages, our business and operations could be adversely affected and we may incur significant expenses associated with such returns.

Further, printing of our content and other products are decided based on management estimates of demand using historical sales data which is used to extrapolate future sales pattern and we start printing before the preparation of an order book. If we fail to accurately forecast customer demand, we may experience excessive inventory levels or a shortage of products available for sale. There can be no assurance that we will be able to successfully manage our inventory at a level appropriate for future customer demand.

Uncertainty of impact of the withdrawal of banknotes by the Government of India

The Ministry of Finance, Government of India issued a notification S.O. 3407 (E) dated November 8, 2016 declaring that with effect from November 9, 2016 bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees shall cease to be legal tender. The Reserve Bank of India issued notification no. RBI/2016-17-112: DCM(Plug) No. 1226/10.27.00/2016-17 dated November 8, 2016 containing instructions to all banks with respect to withdrawal of legal tender character of these specified bank notes ("**Demonetization**")

Demonetization has created certain liquidity issues for cash transactions in India which is expected to continue in the short-term. Economists expect that these liquidity issues may cause Indian economic growth to slow in the near term; however, the actual economic impact on the Indian economy is uncertain. We are unable to quantify the impact of Demonetization on our business or the Indian economy and make no assurance whether or not such Demonetization could materially and adversely affect our business, results of operations and financial condition.

In our business and in the newly acquired business of Chhaya, K-12 students generally pay for print content and educational materials in cash. Although textbooks are not considered a discretionary spends, it is uncertain whether demonetization will have any impact on sales or whether our distributors or Chhaya's distributors will extend credit beyond usual amounts. Depending on the market liquidity position transactions in the fourth quarter of Fiscal 2017, the usual credit periods between us and our distributors may be extended and increase our receivables. As Chhaya's sale season begins in December, the impact of Demonetization on Chhaya may be more pronounced than on us. In addition, as mentioned above, a significant portion of Chhaya sales have a very short period credit period and these periods may need to be extended.

Transition from Indian GAAP to IND AS

Our financial statements, including the Restated Financial Statements included in this Red Herring Prospectus are prepared in accordance with Indian GAAP financial statements, which are restated as per the SEBI ICDR Regulations. The Ministry of Corporate Affairs, Government of India, pursuant to a notification dated February 16, 2015, set out the timelines for the implementation of IND AS. Accordingly, we are required to prepare our financial statements in accordance with IND AS from April 1, 2017, as required under Section 133 of the Companies Act 2013 read with Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.

IND AS is different in many aspects from Indian GAAP under which our financial statements are currently prepared and presented. For instance, financial instruments being classified as equity or financial liabilities based on the substance of the contractual arrangement rather than legal form, accounting policies related to determination of control for consolidation, accounting of acquisitions/business combinations, recording of minority interest, accounting for leases and revenue sharing arrangements, accounting of deferred taxes, use of fair value for recording assets and liabilities, classification of financial assets and liabilities, disclosure impact in connection with financial instruments, segment reporting, related party disclosures, interim financial reporting, in terms of IND AS are different from the accounting policies for these items under Indian GAAP.

Under the IND (AS), it is likely that our Company will be able to consolidate 100% of Chhaya's profits from Fiscal 2017 onwards and will be required to treat the consideration for the second tranche as a liability in our consolidated accounts.

There can be no assurance that the adoption of IND AS will not affect our reported results of operations, cash flows or financial condition. Our management is devoting and will continue to need to devote time and other resources for the successful and timely implementation of IND AS.

We have not attempted to quantify the impact of US GAAP, IND AS or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IND AS or IFRS. US GAAP, IND AS and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP and accounting practices. Any reliance by persons not familiar with Indian GAAP or accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

For further details in relation to the impact of IND (AS) on the preparation and presentation of our financial statements, please refer to the chapter "***Significant Differences between Indian GAAP and IND AS***" on page 463.

Significant Accounting Policies

Our significant accounting policies are summarized below. For a full description of our significant accounting policies adopted in the preparation of the Restated Consolidated Summary Statements, see the section entitled "***Financial Statements***" on page 207.

a. Change in accounting policy

Disclosure of EBITDA

Till the year ended 31 March 2016, we had opted not to disclose EBITDA. From the period ended June 30, 2016, we have elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. We measure EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, we do not include depreciation and amortization expense, finance costs, interest income and tax expense. The same has been elected by our Company to enable better presentation of financial statements and enhance decision making of top management.

b. Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the

period during which such expenses are incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Plant, property and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

d. Depreciation of property, plant and equipment

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of property, plant and equipment. From Fiscal 2015, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of property, plant and equipment. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV to the Companies Act, 1956 were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act, 2013 prescribes useful lives for property, plant and equipment which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV to the Companies Act, 1956. However, Schedule II allows companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II to the Companies Act, 2013, the management has re-estimated useful lives and residual values of its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II to the Companies Act, 2013.

Depreciation is provided using the written down value method as per the useful life of the assets estimated by the management except in (a) S Chand Edutech and (b) DSDPL where depreciation is provided on straight line basis.

We have used the following rates to provide depreciation on its property, plant and equipment.

Nature of assets	Useful lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful lives estimated by the management from April 1, 2014 onwards	Depreciation rates as per Schedule XIV of the Companies Act, 1956 till March 31, 2014 (WDV)	Depreciation rates as per useful lives as estimated by the management till March 31, 2014 (WDV)	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014 (straight line method)	Depreciation rates as per useful lives as estimated by the management till March 31, 2014 (straight line method)
Plant and equipment	15 years	15 - 25 years	13.91%	13.91%	4.75%	4.75%
Office Equipment	5 years	5 -15 years	13.91%	13.91%	4.75%	4.75%
Furniture & Fixtures	10 years	10 years	18.10%	18.10%	6.33%	6.33%
Vehicles	8 years	8- 10 years	25.89%	25.89%	9.50%	9.50%
Others – Computer	3 years	3- 6 years	40.00%	40.00%	16.21%	16.21%
Electrical installation	10 years	10 years	18.10%	18.10%	6.33%	6.33%
Building (including factory building)	30 years	40- 60 years	10.00%	10.00%	3.34%	3.34%

Leasehold improvements are amortized over economic useful life or unexpired period of lease, whichever is lower.

Leasehold land is amortized on a straight-line basis over the period of lease.

Based on the expected useful life of these assets, we have considered the useful lives for different classes of assets.

The useful lives of vehicles, certain plant and machinery, computers and building are estimated as 10, 25, 6, 40 to 60 years respectively. These lives are higher than those indicated in schedule II to the Companies Act, 2013.

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

Second hand assets are depreciated over the estimated remaining useful life.

The aggregate net block of (a) S Chand Edutech Private Limited and (b) DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) is 7.85 % of the total net block of the Group as of December 31, 2016, 9.11% of the total net block of the Group as of March 31, 2016 and 8.78% of the total net block of the Group as of March 31, 2015. The net block of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited) is 6.33% and 7% of the total net block of the Group as of March 31, 2014 and March 31, 2013 respectively.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life of the intangible asset. We use a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, we amortize the intangible asset over the best estimate of its useful life.

In BPI, during Fiscal 2015 management has revised the estimated useful life of In-House Development from 5 years to 10 years. The management believes that such change will result in a more appropriate presentation of this asset and will give a systematic basis of amortization more representative of the time pattern in which the economic benefit will be derived from the use of such assets.

Research and development costs

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

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

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

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

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

Goodwill is recognized as difference between purchase consideration and value of net assets taken over.

Our intangible assets are amortized over their estimated useful lives as listed below using a straight line method;

Nature of assets	Useful Lives
Goodwill	5-10 years
Copyright	5-10 years
In-house product development	10 seasons
Technical know-how	3-6 years
Content	10 years
License fees	5 years
Publishing rights	10 years
Website development	10 years
Other intangible (computer software)	3-10 years

f. Impairment of tangible and intangible assets

We assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, we estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses of continuing operations is recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, we estimate the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g. Leases

Operating lease

Where S Chand or one of our subsidiaries is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where S Chand or one of our subsidiaries is the lessor

Leases in which we do not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Finance lease

Where S Chand or one of our subsidiaries is the lessee

Finance leases, which effectively transfer to us 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that we will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

h. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

i. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

j. Government grants and subsidies

Grants and subsidies from the Government are recognized when there is reasonable assurance that (i) we will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. Government grants and subsidies receivable against specific fixed asset are deducted from cost of the relevant fixed asset.

k. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a First In First Out (FIFO) basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a First In First out (FIFO) basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a First In First out (FIFO) basis.

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

l. Revenue recognition

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation or delivery of goods to the customer, as the case may be. The following specific recognition criteria must also be met before revenue is recognized.

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred i.e. at the time of handing over goods to the carrier for transportation or delivery of goods to the customer, as the case may be. Sales are net of turnover discounts and sales returns.

Job work

Revenue from job work is recognized when printing and binding job is complete and accepted by the customer and all significant risk and rewards relating to job work are transferred to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Service work

Revenue from service work is recognized when contents, designs, creations has been delivered to and is accepted by the customer and all significant risk and rewards relating to service work are transferred to customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured.

Income from Customized Interactive

Income from Customized Interactive Content is recognized on completion of Initial Training at the School premises in case of Domestic Schools and on the basis of installation of software in International Schools.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividends

Dividend income is recognized when our right to receive dividend is established by the reporting date.

m. Foreign currency transactions

Foreign currency transactions and balances

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or

other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange Differences

We account for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

(1) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

(2) All other exchange differences are recognized as income or as expenses in the period in which they arise.

n. Retirement and other employee benefits

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

We operate defined benefit plan for our employees, viz., gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried at using the projected unit credit method. Actuarial gain and loss for defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

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

We treat accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. We present the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where we have the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

o. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where we operate. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In the situations where we are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent our

Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, we restrict recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

The carrying amount of deferred tax assets are reviewed at each reporting date. We write-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. We recognize MAT credit available as an asset only to the extent that there is convincing evidence that we will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which we recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." We review the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent we do not have convincing evidence that it will pay normal tax during the specified period.

p. Employee stock compensation cost

Our employees (including senior executives) receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the SEBI (Share Based Employee Benefit) Regulation 2014, and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and our best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events if any that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

r. Provisions

A provision is recognized when we have a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

s. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of us or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. We do not recognize a contingent liability but discloses its existence in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u. Segment Reporting

Identification of segments

Our operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Inter-segment transfers

We generally account for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

We prepare our segment information in conformity with the accounting policies adopted for preparing and presenting our financial statements as a whole.

v. Measurement of EBITDA

As permitted by the Schedule III to the Companies Act, 2013 (Erstwhile Revised Schedule VI to the Companies Act, 1956), we have elected to present EBITDA as a separate line item on the face of the statement of profit and loss. We measure EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, we do not include depreciation and amortization expense, finance costs, finance income and tax expense.

w. Amalgamation accounting

The Group treats an amalgamation in the nature of merger if it satisfies all the following criteria:

(i) All the assets and liabilities of the transferor company become, after amalgamation, the assets and liabilities of the transferee company.

(ii) Shareholders holding not less than 90% of the face value of the equity shares of the transferor company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee company or its subsidiaries or their nominees) become equity shareholders of the transferee company.

(iii) The consideration for amalgamation receivable by those equity shareholders of the transferor company who agree to become shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares, except that cash may be paid in respect of any

(iv) The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.

(v) The transferee company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor company, except to ensure uniformity of accounting policies.

All other amalgamations are in the nature of purchase.

The Group accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the Group to recognize any non-cash element of the consideration at fair value. The Group recognizes assets, liabilities and reserves, whether capital or revenue, of the transferor company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in reserves.

An amalgamation in the nature of purchase is accounted for using the purchase method. The cost of an acquisition/ amalgamation is measured as the aggregate of the consideration transferred, measured at fair value. Other aspects of accounting are as below:

(i) The assets and liabilities of the transferor company are recognized at their fair values at the date of amalgamation. The reserves, whether capital or revenue, of the transferor company, except statutory reserves, are not recognized.

(ii) Any excess consideration over the value of the net assets of the transferor company acquired is recognized as goodwill.

(iii) If the amount of the consideration is lower than the value of the net assets acquired, the difference is treated as capital reserve.

(iv) The goodwill arising on amalgamation is amortized to the statement of profit and loss on a systematic basis over its useful life not exceeding five years.

Basis of preparation of our Restated Consolidated Financial Statements

Our Restated Consolidated Financial Statements have been compiled by the management from the audited consolidated financial statements for the nine month period ended December 31, 2016 and for the years ended March 31, 2016, March 31, 2015 and March 31, 2014.

Our audited consolidated financial statements for the nine month period ended December 31, 2016 and for the years ended March 31, 2016, March 31, 2015 and March 31, 2014 have been prepared using our historical general purpose audited financial statements for the nine month period ended December 31, 2016 and for the years ended March 31, 2016, March 31, 2015 and March 31, 2014, respectively, which were prepared under Indian GAAP and originally approved by the Board of Directors at the relevant time.

We have prepared the Consolidated Financial Statements to comply with all material respects with the accounting standards specified under the Companies Act, 1956 and as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies` (Accounts) Rules, 2014 and other accounting principles generally

accepted in India. Our consolidated financial statements have been prepared using the historical cost convention on an accrual basis except for leasehold land and building which has been revalued. The accounting policies have been consistently applied by us and are consistent with those adopted in the preparation of financial statements for the nine month period ended December 31, 2016 except those disclosed under "–***Significant Accounting Policies–Change in accounting policy***" above.

The consolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III to Companies Act, 2013 in addition to the Revised Schedule VI to the Companies Act, 1956.

The Restated Consolidated Financial Statements have been prepared specifically for the inclusion in the offer document to be filed by our Company with the ROC and SEBI in connection with its proposed initial public offering.

The Restated Consolidated Financial Statements have been prepared to comply in all material respects with the requirements of sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of SEBI ICDR Regulations issued by SEBI on August 26, 2009 as amended from time to time.

Results of Operations

Consolidated Operating Results

The table below sets forth a summary of our financial results containing significant items of our income and expenses for the nine months ended December 31, 2016 and for Fiscal 2016, 2015 and 2014 based on our Restated Consolidated Summary Statements included in the section entitled "***Financial Statements***" on page 207.

Particulars	For the 9 months ended December 31, 2016		For the year ended March 31, 2016		For the year ended March 31, 2015		For the year ended March 31, 2014	
	Amount in ₹ million	% of total revenue	Amount in ₹ million	% of total revenue	Amount in ₹ million	% of total revenue	Amount in ₹ million	% of total revenue
Income								
Revenue from operations	1,495.05	99.14	5,377.54	99.47	4,766.57	99.61	3,700.10	99.75
Other income	12.96	0.86	28.73	0.53	18.43	0.39	9.44	0.25
Total revenue	**1,508.01**	**100.00**	**5,406.27**	**100.00**	**4,785.00**	**100.00**	**3,709.54**	**100.00**
Expenses								
Cost of raw materials and components consumed	987.03	65.45	1,756.58	32.49	1,782.39	37.25	1,491.96	40.22
Purchase and implementation cost	36.62	2.43	49.03	0.91	17.07	0.36	3.08	0.08
Publication expenses	223.43	14.82	503.32	9.31	481.76	10.07	422.54	11.39
(Increase)/decrease in inventories of finished goods, work in progress and traded goods	(680.72)	(45.14)	(278.99)	(5.16)	(243.45)	(5.09)	(138.39)	(3.73)
Selling and distribution expenses	406.42	26.95	526.62	9.74	456.07	9.53	343.71	9.27
Employee benefits expenses	835.71	55.42	941.83	17.42	803.48	16.79	526.77	14.20
Other expenses	535.20	35.49	625.72	11.57	447.25	9.35	262.07	7.06
Total expenses	**2,343.69**	**155.42**	**4,124.11**	**76.28**	**3,744.57**	**78.26**	**2,911.74**	**78.49**
Restated EBITDA	**(835.68)**	**(55.42)**	**1,282.16**	**23.72**	**1,040.43**	**21.74**	**797.79**	**21.51**
Depreciation and amortisation expense	202.59	13.43	259.07	4.79	225.41	4.71	122.97	3.31
Interest (income)	(2.48)	(0.16)	(9.29)	(0.17)	(4.15)	(0.09)	(5.61)	(0.15)
Finance costs	227.26	15.07	305.83	5.66	282.60	5.91	94.58	2.55
Restated profit/(loss)	**(1,263.05)**	**(83.76)**	**726.55**	**13.44**	**536.59**	**11.21**	**585.85**	**15.79**

Particulars	For the 9 months ended December 31, 2016		For the year ended March 31, 2016		For the year ended March 31, 2015		For the year ended March 31, 2014	
	Amount in ₹ million	% of total revenue	Amount in ₹ million	% of total revenue	Amount in ₹ million	% of total revenue	Amount in ₹ million	% of total revenue
before tax, minority interest and share of associate companies								
Total tax expense	(395.17)	(26.21)	232.89	4.31	195.26	4.08	160.14	4.32
Restated profit/(loss) after tax and before minority interest and share of associate companies	**(867.88)**	**(57.55)**	**493.66**	**9.13**	**341.33**	**7.13**	**425.71**	**11.48**
Share in (profit)/loss of associate companies	17.00	1.13	27.24	0.50	13.72	0.29	-	-
Restated profit/(loss) for the period/year	**(884.88)**	**(58.68)**	**466.42**	**8.63**	**327.61**	**6.85**	**425.71**	**11.48**
- Attributable to our Shareholders	**(897.20)**	**(59.50)**	**466.37**	**8.63**	**268.45**	**5.61**	**423.42**	**11.41**
- Attributable to Minority Interest	**12.32**	**0.82**	**0.05**	**0.00**	**59.16**	**1.24**	**2.29**	**0.07**

Description of Income and Expenses Items

Total Revenue

Our total revenue comprises:

- Revenue from operations; and
- Other income

Revenue from operations

Our revenue from operations is derived primarily from sale of products: finished goods (books, e-books and educational kits) and traded goods (books, computer and peripherals and educational (Go Maths) kits). Our revenue from operations also includes sale of services (content development, customized interactive educational services, income from pre-school educational activity, royalty and license fees).

Our revenue from operations also includes other operating revenue which includes job work, lease rent, scrap sale, training income, export incentives and miscellaneous income.

We recognize our revenue from sale of goods when all the significant risks and rewards of ownership of the goods have been transferred, which is at the time of handing over goods to the carrier for transportation or delivery of goods to the customer, as the case may be. Sales are net of turnover discounts and sales returns.

Revenue from sale of services is recognized when contents, designs, creations have been delivered to and accepted by the customer and all significant risk and rewards relating to service work are transferred to customer.

Other income

Our other income comprises primarily of profit on sale of current investments, exchange differences, insurance claim received, duty drawback, creditors written back, dividend income, provision on diminution of investment written back, profit on sale of fixed assets and miscellaneous income.

Total Expenditure

Our total expenditure comprises (i) cost of raw materials and components consumed; (ii) purchase and implementation cost; (iii) publication expenses; (iv) (increase)/decrease in inventories of finished goods, work

in progress and traded goods; (v) selling and distribution expenses; (vi) employee benefits expenses and (vii) other expenses.

The following table sets out the principal components of our expenditure and as a percentage of our total expenditure, for the periods indicated.

Particulars	For the 9 months ended December 31, 2016		For the year ended March 31, 2016		For the year ended March 31, 2015		For the year ended March 31, 2014	
	Amount in ₹ million	% of total expenses	Amount in ₹ million	% of total expenses	Amount in ₹ million	% of total expenses	Amount in ₹ million	% of total expenses
Expenses								
Cost of raw materials and components consumed	987.03	42.11	1,756.58	42.59	1,782.39	47.60	1,491.96	51.24
Purchase and implementation cost	36.62	1.56	49.03	1.19	17.07	0.46	3.08	0.11
Publication expenses	223.43	9.53	503.32	12.20	481.76	12.87	422.54	14.51
(Increase)/decrease in inventories of finished goods, work in progress and traded goods	(680.72)	(29.04)	(278.99)	(6.76)	(243.45)	(6.50)	(138.39)	(4.75)
Selling and distribution expenses	406.42	17.34	526.62	12.77	456.07	12.18	343.71	11.80
Employee benefits expenses	835.71	35.66	941.83	22.84	803.48	21.46	526.77	18.09
Other expenses	535.20	22.84	625.72	15.17	447.25	11.94	262.07	9.00
Total expenses	**2,343.69**	**100.00**	**4,124.11**	**100.00**	**3,744.57**	**100.00**	**2,911.74**	**100.00**

Cost of raw materials and components consumed

Our cost of raw materials and components consumed constitutes a major portion of our expenses and comprises cost of paper and glue, printing and binding materials, books, trading items, CD and tablets and other consumables used by us for the purpose of print production and rendering educational services.

Purchase and implementation cost

Our purchase and implementation cost comprises stationery, computer and peripherals, e-books and educational (science labs/go maths) kits.

Publication expenses

Our publication expenses consist of royalty (which comprises the largest part of our publication expenses), power and fuel (directly attributable to printing of books), consumption of spares, repairs to plant and machinery, processing charges, freight and cartage expenses, block and composing, editing charges and other publication expenses. We pay royalty to the authors, with whom we usually enter into long-term royalty agreements. Royalty payments depend on sales volume and number of titles from a particular author and terms of royalty agreements.

(Increase)/decrease in inventories of finished goods, work in progress and traded goods

Our changes in inventories comprise of changes in inventories of finished goods (books and educational kits), traded goods (books and e-books, CDs, stationery, computers and peripherals and educational kits) and work in progress (books, educational kits and printed material for books).

Cost of Goods Sold

Our cost of goods sold comprise our cost of raw materials and components consumed, purchase and implementation cost, publication expenses and changes in inventories of finished goods, work in progress and traded goods. Our gross margin is our revenue from operations less our cost of goods sold. Gross margin is also shown as a percentage of revenue from operations.

To supplement our financial statements presented in accordance with Indian GAAP, we have presented gross margin in addition to our Indian GAAP results. This information should be considered as supplemental in nature and should not be considered in isolation or as a substitute for the related financial information prepared in accordance with Indian GAAP. Management believes that the presentation of gross margin provides useful information to investors regarding our results of operations because it assists both investors and management in analysing our revenues and costs and in benchmarking our performance.

The following table sets forth our revenue from operations, cost of goods sold and gross margin for the periods indicated.

(amounts in ₹ million, except %)

	Particulars	**For the nine months ended December 31, 2016**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**	**For the year ended March 31, 2014**
(a)	Revenue from Operations	1,495.05	5,377.54	4,766.57	3,700.10
(b)	Cost of raw materials and components consumed	987.03	1,756.58	1,782.39	1,491.96
(c)	Purchase and implementation cost	36.62	49.03	17.07	3.08
(d)	Publication expenses	223.43	503.32	481.76	422.54
(e)	(Increase)/decrease in inventories of finished goods, work in progress and traded goods	(680.72)	(278.99)	(243.45)	(138.39)
(f)	Cost of Goods Sold (b + c + d +e)	566.36	2,029.94	2,037.77	1,779.19
(g)	Gross Margin (a-f)	928.69	3,347.60	2,728.80	1,920.91
(h)	Gross Margin as a % of revenue from operations (g÷a)	62.12%	62.25%	57.25%	51.91%

Selling and distribution expenses

Our selling and distribution expenses comprise of rebate and discount, freight and cartage outward, advertisement, publicity and exhibition, packing and despatch expenses, travelling and conveyance and vehicle running and maintenance.

Employee benefits expenses

Our employee benefits expenses comprise of salaries, wages and bonus, staff welfare expenses, contribution to provident and other funds and gratuity expenses.

We have a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure equivalent to 15 days of last drawn basic salary for each completed year of service or part thereof of six months.

We provide share-based payment schemes to our employees. On June 30, 2012, our shareholders approved ESOP 2012 for issue of stock options to the eligible employees. According to ESOP 2012, there are 367,928 options post adjusting for split and bonus. Options are subject to the satisfaction of the prescribed vesting conditions such as continuing employment with our Company. Our Company has amended ESOP 2012 in compliance with the Companies Act 2013 and the SEBI ESOP Regulations. Our board of directors may also specify other parameters subject to which the options would vest. For further details on our ESOP Schemes, see the section entitled "***Capital Structure***" on page 95.

Other expenses

Our other expenses include office rent and other office expenses, repairs and maintenance, insurance, rates and taxes, water and electricity charges, security charges, managerial expenses, outsource services, corporate social responsibility expenses, legal and professional fees, auditors' remuneration, provision for doubtful debt & sales returns and other similar ancillary expenses.

Consolidated Results of Operations for the nine months ended December 31, 2016

Due to the seasonality of the sales season of our business, our results of operations for each of the first three quarters of a Fiscal year and for the first nine months of a Fiscal year typically have shown a loss. Our results of operations for the nine months ended December 31, 2016 reflects this usual seasonal trend.

In addition to seasonality, our results from operations for the nine months ended December 31, 2016 were also particularly impacted by the following factors:

- The financial statements of Chhaya have been consolidated for 26 days for the period from December 6, 2016 to December 31, 2016;
- Lower capacity utilisation at our printing facilities on account of seasonality;
- Increase in employee costs as staffing levels increased and on account of annual increments
- Higher marketing and distribution costs due to the distribution of specimens and samples and holding workshops and dealer meetings, in the second and third Fiscal quarters; and
- Higher finance costs due to acquisition finance raised for Chhaya acquisition and higher working capital borrowings during the third Fiscal quarter.

Total Revenue

Our total revenue was ₹1,508.01 million in the nine months ended December 31, 2016 of which ₹1,495.05 million was derived from operations.

Revenue from operations

Our revenue from operations was ₹1,495.05 million in the nine months ended December 31, 2016. Our revenue from operations reflects the seasonality of our business with the substantial concentration of the K-12 sales season in the fourth Fiscal quarter.

Our revenue from sale of products was ₹1,368.27 million in the nine months ended December 31, 2016.

Our revenue from sale of services was ₹117.57 million in the nine months ended December 31, 2016 primarily on account of revenue from customized interactive education services, preschool educational activity, content development charges and royalty. Our other operating revenues were ₹9.21 million in the nine months ended December 31, 2016.

Other income

Our other income was ₹12.96 million in the nine months ended December 31, 2016 primarily on account sale of current investments as well as miscellaneous income, exchange differences and duty drawback.

Total Expenses

Our total expenses were ₹2,343.69 million in the nine months ended December 31, 2016. As a percentage of total revenue, our total expenses were 155.42 % in the nine months ended December 31, 2016.

Cost of raw materials and components consumed

Our cost of raw materials and components consumed was ₹987.03 million in the nine months ended December 31, 2016.

Purchase and implementation cost

Purchase and implementation cost, which comprises cost of computer and peripherals and e-books, was ₹36.62 million in the nine months ended December 31, 2016, which are expenses incurred towards digital offerings.

Publication expenses

Our publication expenses were ₹223.43 million in the nine months ended December 31, 2016. Our publication expenses primarily related to royalties accrued, in cost of power and fuel towards printing, machinery repairs and maintenance, consumption of stores and spares and other publication expenses.

(Increase)/decrease in inventories of finished goods, work in progress and traded goods

Our inventory of finished goods, traded goods and work in progress witnessed an increase of ₹680.72 million in the nine months ended December 31, 2016. We build up our inventory during the third Fiscal quarter to be ready for the K-12 sales season which is concentrated mainly in the fourth Fiscal quarter.

Costs of Goods Sold

Our cost of goods sold comprise our (i) cost of raw materials and components consumed, (ii) purchase and implementation cost, (iii) publication expenses and (iv) changes in inventories of finished goods, work in progress and traded goods. Our costs of goods sold was ₹566.36 million in the nine months ended December 31, 2016, and our gross margin was 62.12% in the nine months ended December 31, 2016. Our gross margin for Fiscal 2016 was 62.25%. For calculations of gross margin, see "***Results of Operations- Description of Income and Expenses Items-Costs of Goods Sold***" above.

Selling and distribution expenses

Our selling and distribution expenses were ₹406.42 million in the nine months ended December 31, 2016. Our selling and distribution expenses primarily related to distribution of specimen and sample books in the second and third Fiscal quarter, workshops and dealer meeting as well as other travelling and conveyance, freight and cartage outward, advertisement, publicity and exhibition expenses. Our selling and distribution expenses were 26.95% of total revenues in the nine months ended December 31, 2016.

Employee benefits expense

Our expenses in relation to employee benefits were ₹835.71 million in the nine months ended December 31, 2016. We had 2,135 employees at December 31, 2016. Our employee benefits expenses were 55.42 % of total revenues in the nine months ended December 31, 2016.

Other expenses

Our other expenses were ₹535.20 million in the nine months ended December 31, 2016. Our other expenses primarily include office rent cost, legal and professional fees, provision for doubtful debt and advances, cash discount and CSR expenses. Our other expenses were 35.49 % of total revenues in the nine months ended December 31, 2016.

Restated EBITDA

Our restated EBITDA was a loss of ₹ 835.68 million in the nine months ended December 31, 2016. Due to the seasonality of the sales season of our business, it is typical for our results of operations for each of the first three quarters of a Fiscal year and for the first nine months of a Fiscal year to show a loss, and, accordingly, our EBITDA loss for the period may not be indicative of our result of operations for the full Fiscal 2017 financial year.

Depreciation and amortization expense

Our depreciation and amortization expenses were ₹202.59 million in the nine months ended December 31, 2016.

Interest income

Our interest income was ₹ 2.48 million in the nine months ended December 31, 2016 primarily being interest on fixed deposits.

Finance costs

Our finance costs were ₹227.26 million in the nine months ended December 31, 2016. Our finance costs reflect the costs and interest expense from the Axis Facility at a current annual interest cost of 11.25% per annum and processing fees for the facility. In addition, our finance costs include our working capital borrowings which are high at the end of third Fiscal quarter and interest expense from other term loans.

Restated loss before tax, minority interest and share of associate companies

Our restated loss before tax, minority interest and share of associate companies was ₹1,263.05 million in the nine months ended December 31, 2016. Due to the seasonality of the sales season of our business, it is typical for our results of operations for each of the first three quarters of a Fiscal year and for the first nine months of a Fiscal year to show a loss and, accordingly, our loss for the period may not be indicative of our result of operations for the full Fiscal 2017 financial year.

Total tax expense

Our total tax expense was (₹ 395.17 million) in the nine months ended December 31, 2016 reflecting a deferred tax credit of ₹ 437.60 million which will be used to set off against tax on expected profits in the fourth Fiscal quarter.

Restated loss after tax and before minority interest and share of associate companies

Our restated loss after tax and before minority interest and share of associate companies was ₹867.88 million in the nine months ended December 31, 2016 which reflects the seasonality of our business.

Restated loss for the period

Our restated loss for the period after share of associate companies was ₹ 884.88 million in the nine months ended December 31, 2016. The restated loss for the period attributable to our shareholders was ₹ 897.20 million. Due to the seasonality of the sales season of our business, it is typical for our results of operations for each of the first three quarters of a Fiscal year and for the first nine months of a Fiscal year to show a loss, and, accordingly, our loss for the period may not be indicative of our result of operations for the full Fiscal 2017 financial year.

Consolidated Results of Operations for Fiscal 2016 compared with Fiscal 2015

Our results from operations for the Fiscal 2016 were particularly impacted by the following factors:

- A higher realisation due to a change in the product mix and value added titles (primarily hybrid products);
- The introduction of new titles and the revision of titles in Fiscal 2016;
- Increase in volume of test preparation books sold;
- First full year of consolidated results in Fiscal 2016 of NSHPL, which was acquired on May 17, 2014;
- First full year of consolidated results in Fiscal 2016 of DSDPL, which became a subsidiary on July 7, 2014;
- The first partial consolidation of ETIPL as an associate company in Fiscal 2015 from September 8, 2014 and the first full year consolidation of ETIPL as an associate company in Fiscal 2016;
- Decrease in the price of paper in Fiscal 2016 compared to the price of paper in Fiscal 2015;
- Higher productivity of the printing facility in Sahibabad;
- Modest increases in selling and distribution expenses as a percentage of total revenue;
- Increase in employee costs as staffing levels increased; and
- Increase in depreciation and amortization and finance costs due to new capital equipment related to our printing facility in Sahibabad.

Total Revenue

Our total revenue increased by 12.98 % to ₹5,406.27 million in Fiscal 2016 from ₹4,785.00 million in Fiscal 2015. This increase was primarily due to increased revenue from our K-12 business and the first full year of consolidated results in Fiscal 2016 from NSHPL, which was acquired on May 17, 2014.

Revenue from operations

Our revenue from operations increased by 12.82 % to ₹5,377.54 million in Fiscal 2016 from ₹4,766.57 million in Fiscal 2015. This increase was primarily driven by 12.05% increase in our revenue from sale of products (net of turnover discount) to ₹5,160.02 million in Fiscal 2016 from ₹4,605.02 million in Fiscal 2015.

The increase in our revenue from sale of products in Fiscal 2016 was primarily on account of an increase in the volume of hybrid products and test preparation print content which we sold in our K-12 and higher education businesses, respectively. Our revenue from the sale of product in Fiscal 2016 also benefited from a higher realisation due to a change in the product mix and value added titles (primarily hybrid products) and the introduction of new titles and revision of titles in Fiscal 2016.

Our revenue from sale of services increased by 39.14% to ₹205.77 million in Fiscal 2016 from ₹147.89 million in Fiscal 2015. This was primarily on account of increased revenue from customized interactive education services and income from preschool educational activity.

Our other operating revenues decreased by 13.98% to ₹11.75 million in Fiscal 2016 from ₹13.66 million in Fiscal 2015 due to lower training income.

Revenue by Business

K-12 business. Revenue in our K-12 business increased by 15.39% to ₹3,898.21 million, or 72.49% of our consolidated operating revenue, in Fiscal 2016 from ₹3,378.18 million, or 70.87% of our consolidated operating revenue, in Fiscal 2015. This was mainly due to (i) a higher realisation due to a change in the product mix and value added titles (primarily hybrid products); and (ii) an increase in sales volumes in our K-12 portfolio. In addition, we consolidated the first full year of sales in Fiscal 2016 from our Saraswati brand that we acquired as part of the acquisition of NSHPL in Fiscal 2015. In Fiscal 2015, we consolidated sales from our Saraswati brand from May 17, 2014.

In Fiscal 2016, we sold 26.78 million K-12 books. In Fiscal 2016, average prices per copy sold increased significantly due to a change in the product mix and value added titles (primarily hybrid products).

Higher education business. Revenue in higher education increased by 3.63% to ₹1,282.31 million, or 23.85% of our consolidated operating revenue, in Fiscal 2016 from ₹1,237.44 million, or 25.96% of our consolidated operating revenue, in Fiscal 2015. This was mainly due to an increase in sales volumes from our test preparation business offset in part due to lower sales volumes from our college and university/technical and professional business, which has been impacted by industry trends.

In Fiscal 2016, we sold 4.84 million books in the higher education (1.98 million in test preparation and 2.86 million in the college and university/technical and professional business).

Early learning business. Revenue in early learning increased by 27.34% to ₹172.69 million, or 3.21% of our consolidated operating revenue, in Fiscal 2016 from ₹135.61 million, or 2.85% of our consolidated operating revenue, in Fiscal 2015. This increase was mainly due to a larger portfolio of children books and educational kits offered during the year.

Other income

Our other income increased by 55.89% to ₹28.73 million in Fiscal 2016 from ₹18.43 million in Fiscal 2015. This was primarily due to an increase in profit on sale of current investments (net) to ₹17.27 million in Fiscal 2016 from ₹0.29 million in Fiscal 2015 and insurance claim received to ₹1.57 million in Fiscal 2016 from ₹0.82 million in Fiscal 2015.

Total Expenses

Our total expenses increased by 10.14% to ₹4,124.11 million in Fiscal 2016 from ₹3,744.57 million in Fiscal 2015. This increase was primarily due to increase in purchase and implementation cost, publication expenses, selling and distribution expenses, employee benefits expenses and other expenses. As a percentage of total revenue, our total expenses declined to 76.28% in Fiscal 2016 from 78.26% in Fiscal 2015. In addition, we consolidated the first full year of expenses in Fiscal 2016 from NSHPL. In Fiscal 2015, we consolidated expenses from NSHPL from May 17, 2014.

Cost of raw materials and components consumed

Our cost of raw materials and components consumed decreased by 1.45% to ₹1,756.58 million in Fiscal 2016 from ₹1,782.39 million in Fiscal 2015. This decrease was primarily on account of decrease in outsourcing of printing (as our printing facilities in Sahibabad were working at higher capacity utilisation) and lower cost of paper per metric ton. Our cost of raw materials and components consumed as a percentage of total revenue decreased to 32.49% in Fiscal 2016 from 37.25% in Fiscal 2015.

Purchase and implementation cost (includes purchase cost incurred by the company on digital hardware and educational kits)

Purchase and implementation cost increased to ₹49.03 million in Fiscal 2016 from ₹17.07 million in Fiscal 2015. This increase was in line with growth in certain segments within the digital business that needed hardware components for service delivery and towards learning kits. Our purchase and implementation cost as a percentage of total revenue increased to 0.91% in Fiscal 2016 from 0.36% in Fiscal 2015.

Publication expenses

Our publication expenses increased by 4.47% to ₹ 503.32 million in Fiscal 2016 from ₹481.76 million in Fiscal 2015. The royalty expenses paid during Fiscal 2016 increased to ₹393.96 million from ₹381.40 million in Fiscal 2015. Our royalty expenses as a percentage of consolidated operating revenues reduced to 7.33% in Fiscal 2016 from 8.00% in Fiscal 2015 on account of higher sales of in-house titles and full year consolidated of NSHPL in Fiscal 2016. In addition, there was an increase in power and fuel cost and repairs and maintenance for machinery required, on account of higher capacity utilization at our printing facility in Sahibabad in Fiscal 2016 as compared to Fiscal 2015. Our publication expenses reduced to 9.31% of total revenue in Fiscal 2016 from 10.07% in Fiscal 2015.

(Increase)/decrease in inventories of finished goods, work in progress and traded goods

Our inventory of finished goods, traded goods and work in progress witnessed an increase of ₹278.99 million in Fiscal 2016. This increase is primarily on account of our introduction of several new titles during Fiscal 2016.

Costs of Goods Sold

Our cost of goods sold comprise our (i) cost of raw materials and components consumed, (ii) purchase and implementation cost, (iii) publication expenses and (iv) changes in inventories of finished goods, work in progress and traded goods. Our costs of goods sold reduced to ₹2,029.94 million in Fiscal 2016 from ₹2,037.77 million in Fiscal 2015. Our gross margin as a percentage of revenue from operations increased by 5.00 % to 62.25% in Fiscal 2016 from 57.25% in Fiscal 2015 on account of the lower cost of paper per metric ton in Fiscal 2016, higher capacity utilisation at our printing facility in Sahibabad in Fiscal 2016 and a higher realisation in Fiscal 2016 due to a change in the product mix and value added titles (primarily hybrid products). Our gross margin for Fiscal 2016 was 62.25%. For calculations of gross margin, see "***Results of Operations-Description of Income and Expenses Items-Costs of Goods Sold***" above.

Selling and distribution expenses

Our selling and distribution expenses increased by 15.47% to ₹526.62 million in Fiscal 2016 from ₹456.07 million in Fiscal 2015. This increase was primarily due to increased size of our K-12 business including introduction of new titles (which has comparatively higher promotional and selling expenses than our other businesses) and also due to increase in freight and cartage outwards and travelling and conveyance expenses. As a percentage of total revenue, our selling and distribution expenses increased slightly to 9.74% in Fiscal 2016 from 9.53% in Fiscal 2015.

Employee benefits expense

Our expense in relation to employee benefits increased by 17.22% to ₹941.83 million in Fiscal 2016 from ₹803.48 million in Fiscal 2015. This increase was primarily driven by an increase in the number of employees during Fiscal 2016. Our employee costs in Fiscal 2016 also reflected accrual of employee stock option expenses of ₹5.12 million, increase in average compensation on account of annual increments and increases in staff welfare and in contribution to provident and other funds. In Fiscal 2016, we also expanded our sales team to augment sales of our products and market our services directly to schools, colleges, institutions and universities and thus expanding our distribution network. As a percentage of total revenue, our employee benefits expenses increased to 17.42% in Fiscal 2016 from 16.79% in Fiscal 2015.

Other expenses

Our other expenses increased by 39.90% to ₹625.72 million in Fiscal 2016 from ₹447.25 million in Fiscal 2015. This increase was primarily due to an increase in office rent, office expenses, legal and professional fees, security charges, water and electricity charges, auditor fees, provision for doubtful debts and advances and provision for sales returns, bad debts written off, corporate social responsibility expenses and expenses in connection with outsourcing of services as the number of our branch offices and warehouses held on a leasehold basis increased in Fiscal 2016. Our legal and professional expenses increased to ₹ 85.66 million in Fiscal 2016 from ₹ 60.23 million in Fiscal 2015 on account of transaction advisory costs towards acquisition, investments and integration. Our office rent expenses increased to ₹ 161.63 million in Fiscal 2016 from ₹ 133.04 million in Fiscal 2015 on account of first full year rentals being charged for our new corporate office and an increase in the number of branch offices held on a leasehold basis. The provision for doubtful debtors increased to ₹ 45.88 million in Fiscal 2016 from ₹ 9.67 million in Fiscal 2015 as a matter of conservative application of our accounting policy.

Restated EBITDA

As a result of the factors mentioned above, our restated EBITDA increased by 23.23% to ₹1,282.16 million in Fiscal 2016 from ₹1,040.43 million in Fiscal 2015. Our restated EBITDA increased to 23.72% of total revenue in Fiscal 2016 from 21.74% in Fiscal 2015.

Depreciation and amortization expense

Our depreciation and amortization expenses increased by 14.93% to ₹259.07 million in Fiscal 2016 from ₹225.41 million in Fiscal 2015. This increase was primarily due to higher depreciation reflecting new capital equipment related to our printing facility in Sahibabad and higher amortisation of intangibles.

Interest income

Our interest income increased to ₹9.29 million in Fiscal 2016 from ₹4.15 million in Fiscal 2015. This increase was primarily due to an increase in interest income from bank deposits.

Finance costs

Our finance costs increased by 8.22% to ₹305.83 million in Fiscal 2016 from ₹282.60 million in Fiscal 2015. This increase was primarily due to increased finance costs associated with the higher utilisation of our working capital facility during Fiscal 2016 to support higher scale of operations and partially offset by the repayment of a term loan taken in Fiscal 2015 for the acquisition of NSHPL.

Restated profit before tax, minority interest and share of associate companies

Our restated profit before tax, minority interest and share of associate companies increased by 35.40% to ₹726.55 million in Fiscal 2016 from ₹536.59 million in Fiscal 2015. As a percentage of our total revenue, our restated profit before tax, minority interest and share of associate companies was 13.44% in Fiscal 2016 and 11.21% in Fiscal 2015.

Total tax expense

Our total tax expense increased by 19.27% to ₹232.89 million in Fiscal 2016 from ₹195.26 million in Fiscal 2015. This increase was primarily a result of our higher profitability from operations in Fiscal 2016 as compared to Fiscal 2015

Restated profit after tax and before minority interest and share of associate companies

Our restated profit after tax and before minority interest and share of associate companies increased by 44.63% to ₹ 493.66 million in Fiscal 2016 from ₹ 341.33 million in Fiscal 2015. As a percentage of our total revenue, our restated profit after tax and before minority interest and share of associate companies was 9.13% in Fiscal 2016 and 7.13% in Fiscal 2015.

Restated profit for the year after share of associate companies

Our restated profit for the year increased by 42.37% to ₹466.42 million in Fiscal 2016 from ₹327.61 million in Fiscal 2015. This is after providing for share in loss of associate company ('ETIPL') for an amount of ₹ 27.24 million in Fiscal 2016. The restated profit for the year attributable to our shareholders was ₹466.37 million.

Consolidated Results of Operations for Fiscal 2015 compared with Fiscal 2014

Our results from operations for the Fiscal 2015 and Fiscal 2014 were particularly impacted by the following factors:

- The introduction of new titles and the revision of titles in Fiscal 2015;
- A higher realisation of our titles due to an improved product mix and increase in prices in Fiscal 2015;
- Consolidation of results in Fiscal 2015 of NSHPL from May 17, 2014;
- Consolidation of the full results in Fiscal 2015 of DSDPL after the remaining 49.99% of DSDPL was acquired on July 7, 2014;
- The first partial consolidation of ETIPL as an associate in Fiscal 2015 from September 8, 2014;
- An increase in publication expenses, employee costs, selling and distribution expenses and other expenses in Fiscal 2015; and
- Increase in depreciation and amortization, primarily on account of setting up of new printing facility in Sahibabad and goodwill and copyrights acquired upon the acquisition of NSHPL.

Total Revenue

Our total revenue increased by 28.99% to ₹4,785.00 million in Fiscal 2015 from ₹3,709.54 million in Fiscal 2014. This increase was primarily due to the part year consolidation of NSHPL from May 17, 2014, part year consolidation of the full results in Fiscal 2015 of DSDPL after it became as subsidiary on July 7, 2014 and higher realisation for products.

Revenue from operations

Our revenue from operations increased by 28.82% to ₹4,766.57 million in Fiscal 2015 from ₹3,700.10 million in Fiscal 2014. This increase was primarily driven by 27.94% increase in our revenue from sale of products (net of turnover discount) to ₹4,605.02 million in Fiscal 2015 from ₹3,599.46 million in Fiscal 2014.

The increase in our revenue from sale of products was primarily on account of consolidation of NSHPL and increase in prices of products and higher realization due to an improved product mix and hybrid products.

Our revenue from sale of services increased by 61.47% to ₹147.89 million in Fiscal 2015 from ₹91.59 million in Fiscal 2014. This was primarily on account of full consolidation of DSDPL and an increase in income from customised interactive education services and early learning educational activity.

Our other operating revenues increased by 50.94% to ₹13.66 million in Fiscal 2015 from ₹9.05 million in Fiscal 2014.

Revenue by Business

K-12 business. Revenue in our K-12 business increased by 55.50% to ₹3,378.18 million, or 70.87% of our consolidated operating revenue, in Fiscal 2015 from ₹2,172.53 million, or 58.72% of our consolidated operating revenue, in Fiscal 2014. This was mainly due to to the part year consolidation of NSHPL from May 17, 2014, part year consolidation of the full results in Fiscal 2015 of DSDPL after it became a subsidiary on July 7, 2014 and higher realisation for products in Fiscal 2015.

Higher education business. Revenue in higher education decreased by 8.00% to ₹1,237.44 million, or 25.96% of our consolidated operating revenue, in Fiscal 2015 from ₹1,345.00 million, or 36.35% of our consolidated operating revenue, in Fiscal 2014. The decline was on account of industry headwinds in the test preparation business due to delay in opening of government vacancies on account of Lok Sabha elections in May 2014.

Early learning business. Revenue in early learning decreased by 21.51% to ₹135.61 million, or 2.85% of our consolidated operating revenue, in Fiscal 2015 from ₹172.78 million, or 4.67% of our consolidated operating revenue, in Fiscal 2014. This was mainly on account of change in the product mix and reduction in credit period extended to customers.

Other income

Our other income increased by 95.23% to ₹18.43 million in Fiscal 2015 from ₹9.44 million in Fiscal 2014. This was primarily due to increase in exchange differences (net) to ₹6.75 million in Fiscal 2015 from ₹2.37 million in Fiscal 2014 and an increase in insurance claim received to ₹0.82 million in Fiscal 2015 from nil in Fiscal 2014

Total Expenses

Our total expenses increased by 28.60% to ₹3,744.57 million in Fiscal 2015 from ₹2,911.74 million in Fiscal 2014. This increase was primarily due to increase in cost of raw materials and components consumed, purchase and implementation cost, publication expenses, selling and distribution expenses, employee benefits expense and other expenses. As a percentage of total revenue, our total expenses marginally declined to 78.26% in Fiscal 2015 from 78.49% in Fiscal 2014. In Fiscal 2015, we consolidated expenses from NSHPL from May 17, 2014.

Cost of raw materials and components consumed

Our cost of raw materials and components consumed increased by 19.47% to ₹1,782.39 million in Fiscal 2015 from ₹1,491.96 million in Fiscal 2014. This increase was primarily on account of increased consumption of paper due to consolidation of NSHPL and increased price of paper. Our cost of raw materials and components consumed as a percentage of total revenue decreased to 37.25% in Fiscal 2015 from 40.22% in Fiscal 2014. This was mainly due to lower costs at NSHPL which is focused only on the K-12 segment and also due to improvement in product realisation and change in product mix.

Purchase and implementation cost

Purchase and implementation cost increased to ₹17.07 million in Fiscal 2015 from ₹3.08 million in Fiscal 2014. This increase in Fiscal 2015 was primarily due to increase in purchase of accessories to supplement print content for early learning, increased purchase of hardware components for delivery of digital content and for purchase of learning kits. Our purchase and implementation cost as a percentage of total revenue increased to 0.36% in Fiscal 2015 from 0.08% in Fiscal 2014.

Publication expenses

Our publication expenses increased by 14.01% to ₹481.76 million in Fiscal 2015 from ₹422.54 million in Fiscal 2014. This increase was primarily due to increased royalty, freight and cartage expenses, power fuel and other publication expenses. Our publication expenses reduced to 10.07% of total revenue in Fiscal 2015 as compared to 11.39% in Fiscal 2014. The royalty expenses paid during Fiscal 2015 increased to ₹381.40 million from ₹322.07 million in Fiscal 2014. Our royalty expenses as a percentage of consolidated operating revenues reduced to 8.00% in Fiscal 2015 from 8.70% in Fiscal 2014 due to consolidation of NSHPL which has higher number of in-house titles that result in lower royalty costs.

(Increase)/decrease in inventories of finished goods, work in progress and traded goods

Our inventory of finished goods, work in progress and traded goods witnessed an increase of ₹243.45 million in Fiscal 2015. This was primarily on account of inventory acquired on acquisition in Fiscal 2015 of ₹114.67 million. *Selling and distribution expenses*

Our selling and distribution expenses increased by 32.69% to ₹456.07 million in Fiscal 2015 from ₹343.71 million in Fiscal 2014. This increase was primarily due to increased size of our K-12 business with the acquisition of NSHPL (which has comparatively higher selling and distribution expenses to our overall business) and due to increase in advertisement, publicity and exhibition costs, rebate and discount, expenses on freight and cartage outward and packing and despatch expenses. As a percentage of total revenue, our selling and distribution expenses increased marginally to 9.53% in Fiscal 2015 from 9.27% in Fiscal 2014.

Costs of Goods Sold

Our costs of goods sold increased by 14.53 % to ₹ 2,037.77 million in Fiscal 2015 from ₹1,779.19 million in Fiscal 2014. Our gross margin as a percentage of operating revenues increased by 5.33 % to 57.25% in Fiscal 2015 from 51.91 % in Fiscal 2014 on account of increase in prices of products and higher realization due to an improved product mix and hybrid products, and higher gross margins and lower royalty expenses of NSHPL which was consolidated during the year. Our gross margin for Fiscal 2016 was 62.25%. For calculations of gross margin, see "***Results of Operations- Description of Income and Expenses Items-Costs of Goods Sold***" above.

Employee benefits expense

Our expense in relation to employee benefits increased by 52.53% to ₹803.48 million in Fiscal 2015 from ₹526.77 million in Fiscal 2014. This increase was primarily driven by an increase in our average number of employees during the period, in particular as a result of acquisition of NSHPL, new workforce for the printing facility in Sahibabad and for implementation of SAP, increase in average compensation on account of annual increments, increase in gratuity and contribution to provident and other funds. In Fiscal 2015, we set up a new corporate office which involved hiring of corporate staff thereby increasing employee benefit expenses. As a percentage of total revenue, our employee benefits expenses increased to 16.79% in Fiscal 2015 from 14.20% in Fiscal 2014.

Other expenses

Our other expenses increased by 70.66% to ₹447.25 million in Fiscal 2015 from ₹262.07 million in Fiscal 2014. This increase was primarily due to certain expenses incurred in Fiscal 2015 which did not exist in Fiscal 2014 such as ₹4.16 million in social responsibility expenses, ₹16.29 million in provision for sales returns, ₹1.40 million in operating lease charges and ₹25.87 million in cash discounts and also due to an increase in legal and professional fees, rent and office expenses, security charges, managerial expenses and expenses in connection with outsourcing of services due to the acquisition of NSHPL. Our office rent expenses increased to the number of our branch offices and warehouses held on a leasehold basis increased in Fiscal 2015. Our legal and professional expenses increased to ₹ 60.23 million in Fiscal 2015 from ₹ 33.53 million in Fiscal 2014 on account of transaction advisory costs towards acquisition, investments and integration. Our office rent expenses increased to ₹ 133.04 million in Fiscal 2015 from ₹ 78.24 million in Fiscal 2014 on account of setting up of a new corporate office.

Restated EBITDA

As a result of the factors mentioned above, our restated EBITDA increased by 30.41% to ₹1,040.43 million in Fiscal 2015 from ₹797.79 million in Fiscal 2014.

Depreciation and amortization expense

Our depreciation and amortization expenses increased by 83.31% to ₹225.41 million in Fiscal 2015 from ₹122.97 million in Fiscal 2014. This increase was primarily due to higher depreciation on capital expenditure incurred for setting up of new printing facility at Sahibabad; the part year consolidation of NSHPL in Fiscal 2015 from May 17, 2014 which included amortisation of intangibles like goodwill and copyrights which were purchased as part of the consolidation of NSHPL; an increase in depreciation on office equipment, furniture and

fixtures, vehicles and computers; and changes to the useful life of fixed assets beginning in Fiscal 2015 due to the implementation of Schedule II to the Companies Act, 2013.

Interest income

Our interest income decreased to ₹4.15 million in Fiscal 2015 from ₹5.61 million in Fiscal 2014.

Finance costs

Our finance costs increased to ₹282.60 million in Fiscal 2015 from ₹94.58 million in Fiscal 2014. This increase was primarily due to acquisition of NSHPL and investment in ETIPL in Fiscal 2015 funded through long-term loans from financial institutions and capital expenditure for setting up of new printing facility at Sahibabad financed mainly by borrowings from the banks resulting in an increase in interest expenses.

Restated profit before tax, minority interest and share of associate companies

Our restated profit before tax, minority interest and share of associate companies registered a decrease of 8.41 % to ₹536.59 million in Fiscal 2015 from ₹585.85 million in Fiscal 2014. As a percentage of our total revenue, our restated profit before tax, minority interest and share of associate companies was 11.21% in Fiscal 2015 and 15.79% in Fiscal 2014.

Total tax expense

Our total tax expense increased by 21.93% to ₹195.26 million in Fiscal 2015 from ₹160.14 million in Fiscal 2014. This increase was primarily a result of our higher revenue from operations in Fiscal 2015 as compared to Fiscal 2014 and the reduction of tax holiday to 30% in one our Subsidiaries, Nirja Publishers (Rudrapur printing facility) in Fiscal 2015 as compared to 100% in Fiscal 2014.

Restated profit after tax and before minority interest and share of associate companies

Our restated profit after tax and before minority interest and share of associate companies registered a decrease of 19.82% to ₹341.33 million in Fiscal 2015 from ₹425.71 million in Fiscal 2014. As a percentage of our total revenue, our restated profit after tax and before minority interest and share of associate companies was 7.13% in Fiscal 2015 and 11.48% in Fiscal 2014.

Restated profit for the year after share of associate companies (share of owners and minority interest)

Our restated profit for the year decreased by 23.04% to ₹327.61 million in Fiscal 2015 from ₹425.71 million in Fiscal 2014. The restated profit for the year attributable to our shareholders was ₹268.45 million.

Financial Condition, Liquidity and Capital Resources

As of March 31, 2016, our consolidated shareholder funds (including share capital, reserves and surplus) was ₹5,991.52 million as compared to ₹3,943.55 million as of March 31, 2015. The increase was mainly due to capital raised from Everstone and IFC and profitability in Fiscal 2016. As of December 31, 2016, our shareholder funds was ₹ 5,091.51 million.

In the past three fiscal years, our funding requirements have been mainly to finance the acquisition of NSHPL and our investment in digital education startup companies and capital expenditure for the upgrade and expansion of our printing facilities. To fund these costs, we have relied on equity infusion from investors, long-term borrowings from the banks and financial institutions and cash flows from operating facilities.

Our debt to equity ratio (defined as short-term borrowings, long-term borrowings and current maturities of long term borrowings divided by total shareholders' funds) has shown an improvement to 0.34 in as of March 31, 2016 from 0.61 as of March 31, 2015 despite increased operations and working capital requirements. As of December 31, 2016, our debt to equity ratio was 0.82 reflecting our loss during the period due primarily to the seasonality of our business and the new debt incurred to fund the acquisition of Chhaya in December 2016. We currently do not envisage any major capital expenditure in our printing or educational business.

Please also see "***Significant Factors Affecting Our Results of Operations***" above as well as the section entitled "***Risk Factors***" page 16.

Cash Flows

The following table sets forth our consolidated cash flows for the nine months ended December 31, 2016 and for Fiscal 2016, 2015 and 2014.

(*in ₹ millions*)

Particulars	For the 9 months ended December 31, 2016	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Net cash generated by / (used in) operating activities	(339.33)	380.88	(175.24)	427.32
Net cash generated / (used in) investing activities	(1,594.25)	(1,361.00)	(1,016.36)	(395.16)
Net cash generated / (used in) financing activities	1,906.69	1,009.30	1,227.14	5.12
Net increase / (decrease) in cash and cash equivalents	(26.89)	29.18	35.54	37.28

Cash flow from operating activities

Net cash flows from operating activities for the nine months ended December 31, 2016 consisted of a loss before tax (as restated) of ₹1,263.05 million (i) as adjusted for non-cash items namely depreciation and amortization expense of ₹202.59 million, (ii) reduced by interest paid on borrowings of ₹204.81 million, by amortization of ancillary borrowing cost of ₹17.76 million, by impairment loss of ₹4.03 million, by loss on sales of fixed assets (net) of ₹5.35 million, by employee stock option expenses of ₹9.33 million, by bad debts written off of ₹1.53 million and by provisions for bad debts and advances of ₹68.03 million; (iii) reduced for changes in working capital amounting to ₹711.82 million and (iv) increased for profit on the sale of investments of ₹14.46 million and for direct taxes paid (net of refunds) in the amount of ₹284.72 million.

Net cash flows from operating activities for Fiscal 2016 consisted of profit before tax (as restated) of ₹726.55 million as (i) adjusted for non-cash items namely depreciation and amortization expense of ₹259.07 million, (ii) increased by interest expense of ₹293.32 million, and provision for bad debts and advances of ₹45.88 million, and provision for sales returns of ₹45.60 million, and (iii) reduced for changes in working capital amounting to ₹801.72 million, interest income of ₹9.29 million, profit on sale of investments of ₹17.27 million and direct taxes paid (net of refunds) in the amount of ₹179.86 million.

Net cash flows from operating activities for Fiscal 2015 consisted of profit before tax (as restated) of ₹536.59 million as (i) adjusted for non-cash items namely depreciation and amortization expense of ₹225.41 million and amortization of ancillary borrowing cost of ₹4.98 million, (ii) increased by interest expense of ₹273.82 million, bad debts written off of ₹1.11 million, provision for bad debts and advances of ₹9.67 million and provision for sales returns of ₹16.29 million, (iii) decreased by interest income of ₹4.15 million and (iv) further reduced for changes in working capital amounting to ₹947.97 million and direct taxes paid (net of refunds) in the amount of ₹292.67 million. Cash flow from operating activities for Fiscal 2015 was negative as it represented acquisition of NSHPL with large current assets acquired.

Net cash flows from operating activities for Fiscal 2014 consisted of profit before tax (as restated) of ₹585.85 million as (i) adjusted for non-cash items namely depreciation and amortization expense of ₹122.97 million, (ii) increased by interest expense of ₹90.95 million, provision for bad debts and advances of ₹19.42 million, advances written off of ₹2.55 million, (iii) decreased by interest income of ₹5.61 million, profit on sale of fixed assets of ₹1.17 million, profit on sale of investments of ₹0.76 million and (iv) further reduced for changes in working capital amounting to ₹189.98 million and direct taxes paid (net of refunds) in the amount of ₹197.67 million.

Cash flow from investing activities

Net cash flows used in investing activities for the nine months ended December 31, 2016 consisted primarily of outflows for (i) investments in subsidiaries, joint ventures and associate companies of ₹1,528.88 million, (ii) purchases of fixed assets and intangible assets including capital advance, capital creditor and capital work in progress of ₹240.76 million, (ii) investment in non-current investments of ₹10.01 million and investment in bank deposits (having original maturity of more than three months) of ₹8.97 million and (iii) of in inflows from proceeds from the sale of current investments of ₹126.86 million, proceeds from sale of subsidiary of ₹46.80 million and proceeds from the sale of fixed assets of ₹20.84 million.

Net cash flows from investing activities for Fiscal 2016 consisted of outflows for purchases of fixed assets (including intangible assets, capital advances and capital work in progress including assets acquired on acquisition of ₹942.05 million and investments in subsidiaries, joint ventures and associate companies of ₹211.17 million for consolidation of NSHPL, purchase of non-current investments of ₹123.24 million, purchase of current investments of ₹99.24 million, and investment in bank deposits (with the original maturity of more than three months) of ₹15.47 million. Inflows from investing activities included interest received of ₹9.33 million and sale of fixed assets of ₹20.68 million and dividend received of ₹0.16 million. Cash flow from investing activities was negative for Fiscal 2016 due to our acquisition of the remaining 49% stake in NSHPL and series of investments in early stage education companies (including an associate), investment in content development and certain capital expenditure our printing facility at Sahibabad.

Net cash flows from investing activities for Fiscal 2015 consisted of outflows for purchases of fixed assets (including intangible assets, capital advances and capital work in progress which included assets acquired on acquisition) in the amount of ₹1,046.70 million, purchase of non-current investments of ₹56.58 million, purchase of current investments of ₹41.08 million and investment in bank deposits (with the original maturity of more than three months) of ₹4.61 million. Inflows from sale of fixed assets of ₹16.58 million, interest received of ₹3.78 million and dividends received of ₹0.08 million. Cash flow from investing activities was negative for Fiscal 2015 due to our inorganic growth by way of acquisition of a majority stake in NSHPL consolidated during Fiscal 2015, acquisition of a 49.99% stake in DSDPL, investment in ETIPL, content development and capital expenditure for the setting up of the printing facility at Sahibabad.

Net cash flows from investing activities for Fiscal 2014 consisted of outflows for purchases of fixed assets (including intangible assets, capital advances and capital work in progress) in the amount of ₹406.32 million, investments in subsidiaries, joint ventures and associate companies of ₹0.22 million, purchase of non-current investments of ₹5.99 million and investment in bank deposits (with the original maturity of more than three months) of ₹0.64 million. Inflows from investing activities included proceeds from sale of current investments of ₹3.05 million, sale of fixed assets of ₹9.74 million, interest received of ₹5.15 million and dividends received of ₹0.07 million. Cash flow from investing activities was negative for Fiscal 2014 due to capital expenditure for the upgrade and expansion of the printing facilities and investment in content development.

Cash flow from financing activities

Net cash flows from financing activities for the nine months ended December 31, 2016 consisted primarily of inflow from the proceeds of borrowings of ₹2,142.07 million and outflows from interest paid of ₹206.92 million, amortisation of ancillary borrowing cost of ₹16.33 million, dividend on equity shares of ₹10.08 million and tax on equity dividend paid of ₹2.05 million.

Net cash flows from financing activities for Fiscal 2016 consisted of inflow of proceeds from issuance of equity share capital of ₹1, 691.26 million, and outflows for repayment of borrowings of ₹389.42 million and interest paid of ₹290.93 million.

Net cash flows from financing activities for Fiscal 2015 consisted of inflow of proceeds from borrowings of ₹1,504.36 million and outflows for interest paid of ₹267.49 million.

Net cash flows from financing activities for Fiscal 2014 consisted of inflow of proceeds from borrowings of ₹103.81 million and outflows for interest paid of ₹93.07 million.

Non-current Assets

Fixed Assets

As of March 31, 2016, 2015 and 2014, we had property, plant and equipment of ₹1,024.92 million, ₹1,097.31 million and ₹599.89 million, respectively, intangible assets of ₹2,282.35 million, ₹1,643.19 million and ₹1,262.78 million, respectively, and capital work-in-progress of ₹32.06 million, ₹12.39 million and ₹98.61 million, respectively, and intangible assets under development of ₹34.89 million, ₹35.98 million, ₹13.31 million respectively. As of December 31, 2016, we had property, plant and equipment of ₹986.19 million, intangible assets of ₹3,833.75 million, capital work-in-progress of ₹9.22 million, and intangible assets under development of ₹100.04 million.

Non-current investments

As of March 31, 2016, 2015 and 2014, we had non-current investments of ₹253.58 million, ₹130.34 million and ₹73.77 million, respectively. As of December 31, 2016, we had non-current investments of ₹253.74 million.

Deferred tax assets (net)

As of March 31, 2016, 2015 and 2014, we had deferred tax assets (net) of ₹123.52 million, ₹104.06 million and ₹53.64 million, respectively. As of December 31, 2016, we had deferred tax assets (net) of ₹563.18 million.

Non-current loans and advances

As of March 31, 2016, 2015 and 2014, we had long-term loans and advances of ₹178.13 million, ₹186.90 million and ₹158.98 million, respectively. As of December 31, 2016, we had long-term loans and advances of ₹258.48 million.

Trade receivables

As of March 31, 2016, 2015 and 2014, we had non current trade receivables of ₹28.70 million, ₹16.61 million and nil, respectively. As of December 31, 2016, we had non current trade receivables of nil.

Other non-current assets

As of March 31, 2016, 2015 and 2014, we had other non-current assets of ₹33.04 million, ₹23.39 million and ₹16.66 million, respectively. As of December 31, 2016, we had other non-current assets of ₹12.35 million.

Current Assets

Current investments

As of March 31, 2016, 2015 and 2014, we had current investments of ₹163.58 million, ₹47.07 million and ₹5.70 million, respectively. As of December 31, 2016, we had current investments of ₹43.02 million.

Inventories

As of March 31, 2016, 2015 and 2014, we had inventories of ₹ 1,398.25 million, ₹1,196.95 million and ₹838.96 million, respectively. As of December 31, 2016, we had inventories of ₹2,505.89 million.

Trade receivables

As of March 31, 2016, 2015 and 2014, we had trade receivables of ₹3,950.52 million, ₹3,417.26 million and ₹2,309.27 million, respectively. As of December 31, 2016, we had trade receivables of ₹1,956.27 million.

Cash and bank balances

As of March 31, 2016, 2015 and 2014, we had cash and bank balances of ₹244.25 million, ₹213.24 million and ₹176.03 million, respectively. As of December 31, 2016, we had cash and bank balances of ₹244.39 million.

Current loans and advances

As of March 31, 2016, 2015 and 2014, we had short-term loans and advances of ₹185.38 million, ₹132.46 million and ₹160.33 million, respectively. As of December 31, 2016, we had short-term loans and advances of ₹624.13 million which increased primarily on account of advance tax paid.

Other current assets

As of March 31, 2016, 2015 and 2014, we had other current assets of ₹1.91million, ₹2.58 million and ₹1.25 million, respectively. As of December 31, 2016, we had other current assets of ₹8.01 million.

Indebtedness

As of March 31, 2016, 2015 and 2014, our total long-term borrowings (excluding current maturities) were ₹ 679.22 million, ₹1,185.27 million and ₹ 159.62 million, respectively. As of March 31, 2016, 2015 and 2014, our secured long-term borrowings aggregated ₹ 658.16 million, ₹ 1,164.21 million and ₹ 138.56 million, respectively. As of March 31, 2016, 2015 and 2014, our unsecured long-term borrowings aggregated to ₹ 21.06 million, ₹ 21.06 million and ₹ 21.06 million, respectively. As of December 31, 2016, our total long-term borrowings (excluding current maturities of ₹ 1,751.40 million including the Axis Facility of ₹ 1,504 million classified as short term) were ₹ 594.55 million and were all secured.

As of March 31, 2016, 2015 and 2014, our total short-term borrowings were ₹1,257.54 million, ₹965.06 million and ₹ 695.32 million, respectively. As of March 31, 2016, 2015 and 2014, our secured short-term borrowings aggregated ₹1,233.23 million, ₹ 951.84 million and ₹ 649.96 million, respectively. As of March 31, 2016, 2015 and 2014, our unsecured short-term borrowings aggregated ₹ 24.31 million, ₹13.22 million and ₹ 45.36 million, respectively. As of December 31, 2016, our total short-term borrowings, our secured short-term borrowings and our unsecured short-term borrowings were ₹ 1,831.08 million, ₹ 1,786.70 million and ₹ 44.38 million, respectively.

Most of our financing arrangements except acquisition finance are secured by movable and immovable assets, personal guarantee by some of our directors and corporate guarantee. Acquisition finance is secured by pledge of shares of certain subsidiaries; charge on current assets and on the licenses of subsidiary companies. Many of our financing agreements also include numerous conditions and covenants that require it to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to obtain these consents could have significant consequences on our business and operations. Specifically, lender consents are required to incur additional debt beyond certain agreed thresholds, issue equity, change in our capital structure, incur capital expenditure beyond certain agreed thresholds, undertake any expansion, provide additional guarantees, and to merge with or acquire other companies, whether or not we fail to comply with the other terms of the agreements.

Interest Coverage

Our interest coverage ratio (equal to the total of restated profit for the year before tax, depreciation and amortization expense and finance costs divided by finance costs) as of March 31, 2016, March 31, 2015 and March 31, 2014 is set forth in the table below:

Particulars	March 31, 2016	March 31, 2015	March 31, 2014
Interest Coverage Ratio	4.19	3.68	8.43

Contingent Liabilities

For details of contingent liabilities as of December 31, 2016 and March 31, 2016, see the section entitled "***Financial Statements***" on page 207.

Off-balance Sheet Arrangements and Financial Instruments

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet transactions. For information on obligation to acquire 26% of the outstanding share capital of Chhaya Prakashani Private Limited on or after November 15, 2018, see "--***Acquisition of Chhaya***" above.

Related Party Transactions

We have entered into and expect to continue to enter into transactions with our related parties. For details, see the sections entitled "***Related Party Transactions***" on page 205.

Quantitative and qualitative disclosure about market risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, foreign exchange risk, inflation and commodity risk. We are exposed to different degrees of these risks in the normal course of our business.

Interest rate risk

Since we have a substantial portion of floating rate Rupee assets and fixed-rate liabilities, movements in domestic interest rates constitute the main source of interest rate risk. Fluctuations in interest rates may accordingly impact our ability to borrow and also cost of borrowings. We assess and manage the interest rate risk on our balance sheet through relationship with multiple banks and building-in interest costs variations in our business model.

Inflation

In recent years, although India has experienced fluctuation in inflation rates, inflation has not had material impact on our business, results of operations or cash flows.

Commodity

Our key raw material is paper which is being a commodity is subject to open market price fluctuations. These fluctuations in paper prices may accordingly impact our result of operations and cash flows. We monitor the paper price risk closely and assess its impact on on-going basis.

Competitive Conditions

Refer to the sections entitled "*Our Business*", "*Industry Overview*" and "*Risk Factors*" in this Red Herring Prospectus regarding competition.

Significant Developments Occurring after December 31, 2016

Except as stated elsewhere in this Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay any material liabilities within the next 12 months.

Unusual or Infrequent Events or Transactions

Except as described above and elsewhere in this Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or infrequent".

Known Trends or Uncertainties

Other than as in the sections entitled "*Risk Factors*", and this section and elsewhere in this Red Herring Prospectus, to the best of our knowledge there are no known trends or uncertainties that have had, or are expected to have, a material adverse impact on our revenues or income from continuing operations.

Auditor Reservations, Qualifications or Matters of Emphasis

We set out below a summary of the reservations, qualifications or matters of emphasis made by our auditors as at March 31, 2016, 2015, 2014, 2013 and 2012 and for Fiscal 2016, 2015, 2014, 2013 and 2012 in respect of the Company and its subsidiaries. In addition, we set out the corrective steps that were taken or proposed to be taken by the Company (or the relevant subsidiary) for each of the reservations, qualifications or matters of emphasis:

Fiscal 2012

S Chand And Company Limited

Unconsolidated Financials – The Companies (Auditors'Report) Order, 2003 (CARO)

<table>
<tr><th>Qualifications, Reservations and Matters of Emphasis</th><th>Steps taken by our Company to address the Qualifications , Reservations and Matters of Emphasis</th></tr>
<tr><td>Clause (i)(a) The Company has maintained records showing quantitative details of the fixed assets, but the auditor has been informed by the management that steps for completion of records containing full particulars of the same are being taken.</td><td>This is a matter reported in the CARO Report and not an auditor qualification. Our Company has taken steps and subsequently updated the records.</td></tr>
<tr><td>Clause (v)(a) In the auditor's opinion and according to the information and explanation given to the auditor, the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have not been so entered.</td><td>The management of our Company has taken steps and subsequently updated the register.</td></tr>
<tr><td>Clause (ix)(a) According to the records of the Company examined by the auditor, the provisions of Investor Education and Protection Fund are not applicable to the Company. However, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other statutory dues have generally been deposited regularly with the appropriate authorities.</td><td>Our Company has paid all undisputed statutory dues which were due.</td></tr>
<tr><td>Clause (ix)(c) The details of statutory dues not deposited on account of disputed liabilities are given as under:

<table><tr><th>Name of the statute</th><th>Nature of dues</th><th>(Amount in Rupees Million)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr><tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>5.34</td><td>AY 2009-10</td><td>CIT(A)</td></tr><tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>4.16</td><td>AY 2008-09</td><td>CIT(A)</td></tr></table></td><td>The matters referred to in the CARO Report are under dispute and our Company is contesting the same in the appellate proceedings.</td></tr>
</table>

Fiscal 2013

DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)

Matter of Emphasis	Steps taken by our Company to address the Matter of Emphasis
The audit reports for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 included emphasis of matter in respect of going concern assumption in respect of DS Digital Private Limited (formerly known as S. Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and March 31, 2013 and a wholly owned subsidiary as at March 31, 2015. The enterprise is normally viewed as a going concern that is as continuing in operation for the foreseeable future. The management of DS Digital Private Limited is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.

S Chand And Company Limited

Unconsolidated Financials – The Companies (Auditors'Report) Order, 2003 (CARO)

Qualifications , Reservations and Matters of Emphasis	Steps taken by our Company to address the Qualifications , Reservations and Matters of Emphasis
Clause (iii)(b) According to the information and explanation given to the auditor,	The relevant loans have been repaid

<table>
<tr><th>Qualifications , Reservations and Matters of Emphasis</th><th>Steps taken by our Company to address the Qualifications , Reservations and Matters of Emphasis</th></tr>
<tr><td>the auditor is of the opinion that the rate of interest and other terms and conditions of loans given by the company to Shaara Hospitalities Private Limited in which directors of the company are interested, are prima facie prejudicial to the interest of the Company on account of the following reasons:

1) the company has granted the loan at an interest rate of Nil% per annum which is significantly lower than the interest rate prevailing in the market; and
2) there are no covenants with regard to repayment of loans.

However, the said loan has been subsequently received back.

According to the information and explanation given to the auditor, and having regard to the management's representation that the interest free loans were given to certain wholly-owned subsidiary of the Company in the interest of the Company's business, the rate of interest and other terms and condition for such loans are not prima facie prejudicial to the interest of the company.</td><td>by Shaara Hospitalities Private Limited to our Company.</td></tr>
<tr><td>Clause (iii)(c) The loan granted are repayable on demand. The auditor was informed that the Company has not demanded repayment of such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The loans were given on an interest free basis.</td><td>The relevant loans have been repaid subsequently to our Company.</td></tr>
<tr><td>Clause (ix)(a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues have generally being regularly deposited with the appropriate authorities though there has been a slight delay in few cases. The provision relating to investor education and protection fund, wealth-tax, custom duty and excise duty are not applicable to the company.</td><td>Our Company has paid all undisputed statutory dues which were due.</td></tr>
<tr><td>Clause (ix)(c) According to the records of the company, the dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute, are as:

<table>
<tr><th>Name of the statute</th><th>Nature of dues</th><th>(Amount in Rupees million) (₹)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>30.30</td><td>AY 2004-05</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>4.46</td><td>AY 2005-06</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>1.46</td><td>AY 2006-07</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>3.42</td><td>AY 2007-08</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>4.16</td><td>AY 2008-09</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>5.34</td><td>AY 2009-10</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income Tax</td><td>6.63</td><td>AY 2010-11</td><td>CIT(A)</td></tr>
</table>
</td><td>The matters referred to in the CARO Report are disputed and our Company is contesting these dues in the appellate proceedings.</td></tr>
</table>

Fiscal 2014

D.S. Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)

Matters of Emphasis	Steps taken by our Company to address the Matters of Emphasis
The audit reports for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 included emphasis of matter in respect of going concern assumption in respect of D.S. Digital Private Limited (formerly known as S. Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and March 31, 2013 and a wholly owned subsidiary as at March 31, 2015. The enterprise is normally viewed as a going concern that is as continuing in operation for the foreseeable future. The Management of D. S. Digital Private Limited is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
The audit reports for the years ended March 31, 2015 and March 31, 2014 included emphasis of matter in respect of recognition of deferred tax asset in respect of D.S. Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and a wholly owned subsidiary as at March 31, 2015. The auditors of the respective enterprise have relied upon the assertion of the management of D.S. Digital Private Limited regarding that the deferred tax asset is recognized for the year ended March 31, 2014 considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management. However, for the year ended March 31, 2015 no further assets were recognized as a matter of abundant precaution.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
The audit report for the year ended March 31, 2014 included emphasis of matter in respect of delay in holding Annual General Meeting in respect of DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), a joint venture as at March 31, 2014. Annual General Meeting of DS Digital Private Limited was required to be held by November 30, 2013. However, the meeting was actually held on January 23, 2014.	The Company's subsidiary had made an application to the Company Law Board (the "**CLB**") to condone the delay in holding the Annual General Meeting. On 1 June 2015, the CLB accepted the application made by the Company's subsidiary. A compounding order which included delay penalties were issued by the CLB and subsequently paid by the Company, Directors and the Company secretary.

S Chand Edutech Private Limited

Matter of Emphasis	Steps taken by our Company to address the Matter of Emphasis
The audit report for the year ended March 31, 2014 included emphasis of matter in respect of impairment of intangible asset in respect of S Chand Edutech Private Limited, a subsidiary of the Company. The auditors of the respective enterprise have relied upon the assertion of management regarding data taken in computation of discounted cash flow for deriving realizable value, in accordance of which the expected cash flow (DCF) exceeds the carrying value of the fixed assets.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.

S Chand And Company Limited

Unconsolidated Financials – The Companies (Auditors'Report) Order, 2003 (CARO)

Qualifications, Reservations, and Matters of Emphasis	Steps taken by our Company to address the Qualifications, Reservations, and Matters of Emphasis

<table>
<tr><th>Qualifications, Reservations, and Matters of Emphasis</th><th>Steps taken by our Company to address the Qualifications, Reservations, and Matters of Emphasis</th></tr>
<tr><td>Clause (ix)(a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues have generally being regularly deposited with the appropriate authorities though there has been a slight delay in few cases. The provision relating to investor education and protection fund, wealth-tax, custom duty and excise duty are not applicable to the company.</td><td>Our Company has paid all undisputed statutory dues which were due.</td></tr>
<tr><td>Clause (ix)(c) According to the records of the company, the dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute, are as:

<table>
<tr><th>Name of the statute</th><th>Nature of dues</th><th>(Amount in Rupees million)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>30.30</td><td>AY 2004-05</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>4.46</td><td>AY 2005-06</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>1.46</td><td>AY 2006-07</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>3.42</td><td>AY 2007-08</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>15.20</td><td>AY 2007-08</td><td>ITAT</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>4.16</td><td>AY 2008-09</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>5.34</td><td>AY 2009-10</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>6.63</td><td>AY 2010-11</td><td>ITAT</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>8.18</td><td>AY 2011-12</td><td>CIT(A)</td></tr>
</table>
</td><td>The matters referred to in the CARO Report are disputed and our Company is contesting these dues in the appellate proceedings.</td></tr>
</table>

Fiscal 2015

DS Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited)

Matters of Emphasis	Steps taken by our Company to address the Matters of Emphasis
The audit reports for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 included emphasis of matter in respect of going concern assumption in respect of D.S. Digital Private Limited (formerly known as S. Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and March 31, 2013 and a wholly owned subsidiary as at March 31, 2015. The enterprise is normally viewed as a going concern that is as continuing in operation for the foreseeable future. The Management of D. S. Digital Private Limited is considering the continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
The audit reports for the years ended March 31, 2015 and March 31, 2014 included emphasis of matter in respect of recognition of deferred tax asset in respect of D.S. Digital Private Limited (formerly known as S Chand Harcourt (India) Private Limited), which was a joint venture as at March 31, 2014 and a wholly owned subsidiary as at March 31, 2015. The auditors of the respective enterprise have reli3ed upon the assertion of the management of D.S. Digital Private Limited regarding that the deferred tax asset is recognized for the year ended March 31, 2014 considering the	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.

continuous increase in revenue and economy in cost. The trend is likely to be accelerated in the future years considering the strategic alliance contemplated by the management. However, for the year ended March 31, 2015 no further assets were recognized as a matter of abundant precaution.	

S Chand Edutech Private Limited

Matter of Emphasis	**Steps taken by our Company to address the Matter of Emphasis**
The audit report for the year ended March 31, 2015 included emphasis of matter in respect of impairment of intangible asset in respect of S Chand Edutech Private Limited, a subsidiary of the Company. The auditors of the respective enterprise have relied upon the assertion of the management and not considered impairment of assets.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.

S Chand And Company Limited

Unconsolidated Financials – The Company's (Auditors'Report) Order, 2015 (CARO)

<table>
<tr><th>Qualifications, Reservations, and Matters of Emphasis</th><th>Steps taken by our Company to address the Qualifications, Reservations and Matters of Emphasis</th></tr>
<tr><td>Clause (iv) In our opinion and according to the information and explanations given to the auditor, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and sale of services. However, the internal control system for sale of goods needs to be strengthened to make it commensurate with the size of the Company and nature of its business.</td><td>The management has implemented processes under ICFR guidelines to control order processing and sales activities.</td></tr>
<tr><td>Clause (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, wealth tax, service tax, value added tax, custom duty, cess and other material statutory dues applicable to it. As informed to the auditor, the provisions relating to excise duty and cess are not applicable to the Company.</td><td>Our Company has paid all undisputed statutory dues which were due.</td></tr>
<tr><td>Clause (vii)(c) According to the records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:
<table>
<tr><th>Name of the statute</th><th>Nature of dues</th><th>(Amount in Rupees Million)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>30.30</td><td>AY 2004-05</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>4.46</td><td>AY 2005-06</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>1.46</td><td>AY 2006-07</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>3.42</td><td>AY 2007-08</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>15.20</td><td>AY 2007-08</td><td>ITAT</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>4.16</td><td>AY 2008-09</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax Act, 1961</td><td>Income tax</td><td>5.34</td><td>AY 2009-10</td><td>Delhi High Court</td></tr>
<tr><td>Income Tax</td><td>Income tax</td><td></td><td>AY 2010-11</td><td>ITAT</td></tr>
</table>
</td><td>The matters referred to in the CARO Report are under dispute and our is contesting the statutory dues in the appellate proceedings.</td></tr>
</table>

	Act, 1961		6.63				
	Income Tax Act, 1961	Income tax	8.18	AY 2011-12	ITAT		

S Chand And Company Limited

Consolidated Financials – Company's (Auditors' Report) Order 2015 (CARO)

Qualifications, Reservations, and Matters of Emphasis	**Steps taken by our Company to address the Qualifications, Reservations and Matters of Emphasis**
Clause (i) (a) The holding company and certain covered entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. In respect of one subsidiary company as reported by the other auditor who audited the financial statement of our subsidiary company of the Group, fixed assets are not tagged in fixed assets register. In respect of one subsidiary company as reported by the other auditor who audited the financial statement of our subsidiary company of the Group, subsidiary company is in the process of updating records showing full particulars including quantitative detail and situation of fixed assets.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
Clause (ii)(c) The holding company and the covered entities (to the extent applicable) are maintaining proper records of inventory. Discrepancies noted on physical verification of inventories were not material and have been properly dealt with in the books of account. In respect of one subsidiary company, as reported by the other auditor who audited the financial statement of the subsidiary company, the entity is maintaining records of inventory which needs improvement.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
Clause (iv) In our opinion and according to the information and explanations given to the auditor and as reported by the other auditors who audited the financial statements of certain covered entities of the Group, there is an adequate internal control system commensurate with the size of the holding company and the covered entities of the Group and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of our covered entities of the Group except as reported by the auditor in respect of Holding Company the internal control system for sale of goods needs to be strengthened to make it commensurate with the size of the company and nature of its business. During the course of the statutory audit and as reported by the other auditors who audited the financial statements of certain covered entities of the Group, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the holding company and the Covered entities of the Group in respect of these areas.	This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
Clause (vii)(a) In our opinion, and according to the information and explanation given to the auditor, and record of the holding vompany examined by the auditor, and based on the reports of the other auditor of 6 covered entities, the holding company and aforesaid covered entities are generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, value added tax, custom duty, cess and other material statutory dues, as applicable, with the appropriate authorities. In our opinion, and according to the information and explanation given to the auditor and record of one subsidiary company examined by the auditor, there has been serious delay in large number of cases of provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax and other material statutory dues, as applicable, with appropriate authorities.	Our Company has paid all the undisputed statutory dues which were due.

<table>
<tr><th>Qualifications, Reservations, and Matters of Emphasis</th><th>Steps taken by our Company to address the Qualifications, Reservations and Matters of Emphasis</th></tr>
<tr><td></td><td></td></tr>
<tr><td>Clause (vii)(b) According to the information and explanations given to the auditor, undisputed dues in respect of income-tax and service tax outstanding, at the year end, for a period of more than six months from the date they become payable in respect of one covered entity of the Group is as follows:
<table>
<tr><th>Name of the entity</th><th>Name of the statute</th><th>Name of the dues</th><th>Amount (₹ In million)</th><th>Period to which the amount relate</th></tr>
<tr><td>BPI (India) Private Limited</td><td>Finance Act, 1994</td><td>Service tax</td><td>0.07</td><td>April 2014 to August 2014</td></tr>
<tr><td>BPI (India) Private Limited</td><td>Income Tax Act, 1961</td><td>Tax deducted at source</td><td>1.80</td><td>April 2014 to August 2014</td></tr>
</table></td><td>All the undisputed statutory dues and interest due thereon have been paid by our Company.</td></tr>
<tr><td>Clause (vii)(c) According to the records of the holding company and the covered entities of the Group and as reported by the other auditor who audited the financial statement of certain covered entities of the Group, the dues outstanding on account of any dispute, are as follows:
<table>
<tr><th>Name of the entity</th><th>Name of the statute</th><th>Nature of dues</th><th>Amount (₹ In million)</th><th>Period to which the amount relate</th><th>Forum where the dispute is pending</th></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act,1961</td><td>Disallowance of expenses, Foreign Travel, Advertisement and Closing Stock</td><td>30.30</td><td>A.Y 2004-05</td><td>Delhi High Court</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of expenses, Travelling, advertisement, Sec 14A and Closing Stock</td><td>4.46</td><td>A.Y 2005-06</td><td>Delhi High Court</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of expenses Advertisement , Sec 14A and Closing Stock</td><td>1.46</td><td>A.Y 2006-07</td><td>Delhi High Court</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of Closing Stock</td><td>3.42</td><td>A.Y 2007-08</td><td>Delhi High Court</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of E Software Stock</td><td>15.20</td><td>A.Y 2007-08</td><td>ITAT</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of Closing Stock</td><td>4.16</td><td>A.Y 2008-09</td><td>Delhi High Court</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of Closing Stock</td><td>5.34</td><td>AY 2009-10</td><td>Delhi High Court</td></tr>
<tr><td>S Chand and Company Limited</td><td>Income Tax Act, 1961</td><td>Disallowance of Closing Stock ,Sec 94(7),Credit Card</td><td>6.63</td><td>AY 2010-11</td><td>ITAT</td></tr>
</table></td><td>The matters referred to in the CARO Report are under dispute and our Company is contesting the statutory dues in the appellate proceedings.</td></tr>
</table>

Qualifications, Reservations, and Matters of Emphasis						Steps taken by our Company to address the Qualifications, Reservations and Matters of Emphasis
		Payments				
S Chand and Company Limited	Income Tax Act 1961	Disallowance on account of closing stock	8.18	AY 2011-12	ITAT	
Clause (viii) According to the records of the Holding Company and 5 subsidiaries audited by the auditor, and based on the report of other auditor in respect of 2 subsidiaries, these entities have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year. Based on the audit report of the other auditor, 1 associate and 1 subsidiary company, accumulated losses are more than fifty percent of its net worth and have incurred cash losses in the current and in the immediately preceding financial year. Based on the audit report of other auditor, in case of 1 subsidiary company accumulated losses are more than fifty percent of its net worth and it has incurred cash losses in the current but not in the immediately preceding financial year. According to the records of 1 subsidiary company, audited by the auditor, the Company has been registered for a period of less than five years and hence the auditor was not required to comment on whether or not the accumulated losses are more than fifty percent of its net worth and have incurred cash losses in the current and in immediately preceding financial year.						This is a matter of emphasis and not an auditor qualification. Accordingly, our Company has not taken any corrective measure in this regard.
Clause (ix) Based on our audit procedures and as per the information and explanations given by the management and based on the report of other auditor who audited the financial statement of certain covered entities of the Group, the Group has not defaulted in their repayment of dues to financial institution, bank or debenture holder except in case of one subsidiary, audited by the auditor, which has delayed in repayment of dues to banks during the year to the extent of ₹ 211,000 (the delay in such repayments being for less than 13 days in each individual case) and ₹ Nil of such dues were in arrears as on the balance sheet date.						All the undisputed statutory dues and interest due thereon have been paid by our Company.

Fiscal 2016

S Chand And Company Limited

Unconsolidated Financials – Company's (Auditors' Report) Order 2016 (CARO)

Qualification	Steps taken by our Company to address the qualification
Clause (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, sales-tax, service tax, value added tax, custom duty cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to duty of excise and cess are not applicable to the Company.	Our Company has paid all the undisputed statutory dues which were due.
Clause (vii)(c) According to the records of the Company, the dues outstanding of income-tax on account of any dispute are as follows:	Our Company is contesting these statutory dues in the appellate proceedings.

Name of the Statute	Nature of dues	Disputed Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income tax	30.30	AY 2004-05	Delhi High Court
Income Tax Act,1961	Income tax	4.46	AY 2005-06	Delhi High Court
Income Tax Act,1961	Income tax	1.46	AY 2006-07	Delhi High Court

Qualification					Steps taken by our Company to address the qualification
Income Tax Act,1961	Income tax	3.42	AY 2007-08	Delhi High Court	
Income Tax Act,1961	Income tax	15.20	AY 2007-08	ITAT	
Income Tax Act,1961	Income tax	4.16	AY 2008-09	Delhi High Court	
Income Tax Act,1961	Income tax	5.34	AY 2009-10	Delhi High Court	
Income Tax Act,1961	Income tax	6.63	AY 2010-11	ITAT	
Income Tax Act,1961	Income tax	8.18	AY 2011-12	ITAT	
Income Tax Act,1961	Income tax	10.00	AY 2012-13	ITAT	
Income Tax Act,1961	Income tax	3.34	AY 2013-14	CIT (A)	

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

We have prepared and presented our audited financial statements in accordance with Indian GAAP, which differs in certain material respects from IND-AS.

The financial information included in the section "***Financial Statements***" on page 207 has been prepared on the basis of the Company's audited financial information, restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations.

Many differences exist between Indian GAAP and Ind-AS that might be material to our financial information. The matters described below summarize certain key differences between Indian GAAP and Ind-AS. No numerical reconciliation of the financial position and results of operations under Indian GAAP and under Ind-AS have been included in the RHP. Therefore, we are not in a position to state as to how our financial position and the results of operations would be impacted when computed under Ind-AS.

Ind AS comprises accounting standard notified under the Companies (Indian Accounting Standards) Rules, 2015.

Indian GAAP comprises accounting standards issued by the Institute of Chartered Accountants of India notified under the Companies (Accounting Standards) Rule, 2006 as amended and to the relevant requirements of the Companies Act, 2013. In certain cases, the Indian GAAP description also refers to Guidance Notes issued by the Institute of Chartered Accountants of India.

Please note that this is not an exhaustive list of differences between Ind AS and Indian GAAP; rather, it indicates only those key differences which are considered to be more relevant to the financial position and results of operations of the Company and does not cover all differences regarding presentation, classification and disclosure requirements applicable under Ind AS and Indian GAAP.

S. No	Particulars	Ind AS	Indian GAAP
Presentation of Financial Statement			
1.	Contents of financial statements	Ind AS introduces the concept of comprehensive income, which requires all changes in equity (other than those attributable to transactions with owners) to be presented as part of the statement of profit and loss as a separate component titled "Other Comprehensive Income". Ind AS 1 requires disclosure of critical judgments made by management in applying accounting policies and key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. It also requires disclosure of information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital. Ind AS 1 requires presentation of all transactions with equity holders in their capacity as equity holders in the statement of changes in equity ("**SOCIE"**).	Under Indian GAAP, there is no concept of comprehensive income. AS 5 requires all item of income and expenses to be recognized in the statement of profit and loss, unless required otherwise by any other accounting standard. There is no such specific disclosure requirement in AS 1 or Schedule VI. The concept of SOCIE is not present under Indian GAAP; however, information relating to appropriation of profits, movement in capital reserves, etc. is presented in the notes to financial statements.
2.	Extraordinary Items	Ind AS 1 prohibits any item to be presented as an extraordinary item, either on the face of the income statement or in the notes.	AS 5, in Indian GAAP, specifically requires disclosure of certain items as extra ordinary items.

S. No	Particulars	Ind AS	Indian GAAP
3.	Changes in Accounting policies	An entity shall account for a change in accounting policy resulting from the initial application of a standard or an interpretation in accordance with the specific transitional provisions, if any, in that standard or interpretation; and when an entity changes an accounting policy upon initial application of a standard or an interpretation that does not include specific transitional provisions applying to that change, or changes an accounting policy voluntarily, it shall apply the change retrospectively. Comparative information is restated, and the amount of the adjustment relating to prior periods is adjusted against the opening balance of retained earnings of the earliest year presented. An exemption applies when it is impracticable to change comparative information.	As per AS 5, 'Any change in an accounting policy which has a material effect should be disclosed. The impact of, and the adjustments resulting from, such change, if material, should be shown in the financial statements of the period in which such change is made, to reflect the effect of such change. Where the effect of such change is not ascertainable, wholly or in part, the fact should be disclosed. There is no specific guidance on how changes in accounting policies are dealt with, except few specific items, like changes in the method of depriciation or changes arising out of new standard.
4.	Correction of errors	Ind AS 8 requires that an entity will correct prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts for the prior period(s) presented in which the error occurred. If the error occurred before the earliest prior period presented, it will restate the opening balances of assets, liabilities and equity for the earliest prior period presented. Ind AS 8 does not require restatement of prior periods only if such a restatement is impracticable.	AS 5 requires the impact of prior period items to be included in the current year statement of profit and loss, with a separate disclosure. Comparative information of earlier years is not restated.
Revenue			
5.	Deferred payment terms by customers	Under Ind AS, revenue is recognized at the fair value of the consideration received or receivable. Where the inflow of cash or cash equivalents is deferred, discounting to a present value is required to be done using the imputed rate of interest. The difference between the fair value and the consideration is recognized as interest income using the effective interest method.	Revenue is measured by the charges made to customers or clients for goods supplied and services rendered to them and by the charges and rewards arising from the use of resources by them. Discounting of deferred revenue is normally not required. However, for installment sales, discounting would be required.
5.	Cash discount	Under Ind AS 18, revenue is recognized at the fair value of the consideration received or receivable taking into account the amount of any trade discount, cash discount and volume rebate by the entity.	Under Indian GAAP, cash discount given is not encompassed within the definition of revenue. Therefore, cash discount should not be deducted in determining revenue.
6.	Multiple Element Revenue Contracts	No detailed guidance for multiple-element revenue recognition arrangements exits. However, in certain circumstances, it is necessary to apply there cognition criteria to the separately identifiable components of a single transaction in order to reflect the substance of the transaction.	No specific guidance in AS 9 on accounting for Multiple Element Revenue Contracts.
Financial Instruments			
7.	Financial Assets	Under Ind AS, • all financial assets are classified	Under Indian GAAP, long-term investments are recorded at cost less

S. No	Particulars	Ind AS	Indian GAAP
		among three principal categories, namely, measured at amortized cost, fair value through other comprehensive income ("**FVOCI**") and fair value through profit or loss ("**FVTPL**"). • A financial asset (for debt instruments only) is subsequently measured at amortized cost if the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise to cash flows that are solely the payments of principal and interest ("**SPPI**"). • A financial asset (for debt instruments only) is subsequently measured at FVOCI if it meets the SPPI criterion and is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. • All other financial assets (for debt instruments only) are classified as being subsequently measured at FVTPL. • At initial recognition of an equity investment that is not held for trading, an entity may irrevocably elect to present in OCI the subsequent changes in fair value.	"other than temporary" diminution in value of investments. Current investments are recorded at lower of cost or market price. Other financial assets are generally recorded at their transaction value.
8.	Financial Liabilities	Under Ind AS, • all financial liabilities are classified into two categories, namely, FVTPL and other financial liabilities. • Initial measurement of all financial liabilities is at fair value. • Subsequent to initial recognition, FVTPL liabilities are measured at fair values, with gain or loss (other than gain or loss attributable to "own credit risk") being recognized in income statement. Gain or loss attributable to "own credit risk" for FVTPL liabilities is recognized in equity. • Other financial liabilities are measured at amortized cost using the effective interest rate for each balance sheet date.	Under Indian GAAP, no accounting standard provides detailed guidance on the measurement of financial liabilities. The common practice is to recognize financial liability for consideration received on its recognition. Subsequently, interest is recognized at contractual rate, if any.
9.	Impairment of Financial Assets	Under Ind AS, there is "expected credit loss model" for the impairment of financial assets. It applies to financial assets that are not measured at FVTPL, including loans, lease and trade receivables, debt securities, contract assets, specified financial guarantees and loan commitments issued. It does not apply to equity instruments. The model uses a dual measurement approach, under which the	Under Indian GAAP, there is no detailed guidance on methodology for determining the impairment of financial assets. In practice, provision for bad and doubtful debts is based on ageing analysis and individual recoverability assessment.

S. No	Particulars	Ind AS	Indian GAAP
		loss allowance is measured as either 12 month expected credit losses or lifetime expected credit losses.	
Acquisition and consolidation			
10.	Business Combinations	Ind AS 103 applies to combinations - both amalgamations (where the acquiree loses its existence) and acquisition (where the acquiree continues its existence). Ind AS 103 does not apply to business combinations under common control transactions, formation of joint ventures and acquisition of asset/group of assets that does not constitute a business. Ind AS requires all business combinations within its scope to be accounted under the purchase method at fair value, excluding business combinations of entities or businesses under common control, which are to be accounted using the pooling of interest method.	There is no comprehensive standard dealing with all business combinations. AS 14 applies only to amalgamation, i.e., where acquiree loses its identity. AS 21, AS 23 and AS 27 apply to accounting for investments in subsidiaries, associates and joint ventures, respectively in CFS. AS 10 applies where a demerged division is acquired on a lump-sum basis by another entity. Restricts the use of pooling of interest method to circumstances which meet the criteria listed for an amalgamation in the nature of a merger. In all other cases, the Purchase method is used on the basis of either fair value or book value approach.
11.	Goodwill	Ind AS prohibits amortization of goodwill arising on business combinations, and requires it to be tested for impairment annually.	Indian GAAP requires amortization of goodwill in the case of amalgamations. With reference to goodwill arising on acquisition through equity, no guidance is provided in Indian GAAP and generally such goodwill is tested for impairment.
12.	Treatment of Losses incurred by Subsidiary	Ind AS requires losses incurred by the subsidiary to be allocated between the controlling (parent) and non-controlling interests, even if the losses exceed the non-controlling equity investment in the subsidiary.	Under Indian GAAP, excess losses attributable to minority shareholders over the minority interest are adjusted against the majority interest, unless the minority has a binding obligation to, and is able to, make good the losses.
13.	Contingent Consideration under business combination	Ind AS requires that contingent consideration in a business combination be measured at fair value at the date of acquisition, and that this is recognized in the computation of goodwill/ capital reserve. Subsequent changes in the value of contingent consideration depend on whether they are equity instruments, assets or liabilities. If they are assets or liabilities, subsequent changes are generally recognized in profit or loss for the period. If they are classified as equity, it is not remeasured subsequently.	Under Indian GAAP, AS 14 requires that where the scheme of amalgamation provides for an adjustment to the consideration contingent on one or more future events, the amount of the additional payment is included in the consideration and consequently goodwill, if payment is probable and a reasonable estimate of the amount can be made. In all other cases, the adjustment is recognized as soon as the amount is determinable.
14.	Non-Controlling Interest	Ind AS provides an option to measure any non-controlling (minority) interest in an acquiree at its fair value, or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets at fair value.	Indian GAAP does not provide the first option. Further, it requires minority interest in a subsidiary to be measured at the proportionate share of net assets at book value.
Income Taxes			
15.	Calculation of Deferred Tax	Ind AS is based on the balance sheet liability method, which focuses on temporary differences. One example of the temporary vs. timing difference approach	AS 22 accounting for taxes on income is based on the income statement liability method, which focuses on timing differences

S. No	Particulars	Ind AS	Indian GAAP
		is revaluation of fixed assets. Under Indian GAAP, no deferred tax is recognized on upward revaluation of fixed assets where such revaluation is credited directly to revaluation reserve. Under Ind AS, companies will recognize deferred tax on revaluation component, if other recognition criteria are met.	
16.	Deferred Tax on Business Combinations	Under Ind AS, the cost of a business combination is allocated to the identifiable assets acquired and liabilities assumed by reference to their fair values. However, if no equivalent adjustment is allowed for tax purposes, it would give rise to a temporary difference.	Under Indian GAAP, business combinations (other than amalgamation) will not give rise to such deferred tax adjustment.
17.	Deferred Tax arising from elimination of profits and losses resulting from intra-group transactions	Under Ind AS, deferred tax should be recognized on temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.	Deferred tax is not recognized on such eliminations under Indian GAAP.
Employee Benefits			
18.	Re-Measurement in net defined benefit liability/(asset)	Ind AS requires the impact of re-measurement in net defined benefit liability (asset) to be recognized in other comprehensive income. Re-measurement of net defined liability (asset) comprises actuarial gains or losses, return on plan assets (excluding interest on net asset/liability) and any change in effect of asset ceiling.	Indian GAAP currently requires such impacts to be taken to profit and loss account.
Share Based Payment			
19.	Share based payment plan	Under Ind AS, employee share-based payments should be accounted for using the fair value method. For graded vesting plans, entities need to determine for each portion of the option separately and amortise the compensation cost for each such portion on a straight line basis over the vesting period of that portion.	Indian GAAP permits an option of using either the intrinsic value method or the fair value method. Under Indian GAAP, entities have the option to recognize the compensation cost over the service period for the entire plan (that is over the vesting period of the last separately vesting portion of the option).
Intangible assets			
22.	Intangible assets with Indefinite useful lives	Under Ind AS, intangible assets can have indefinite useful lives. Such assets are required to be tested for impairment and are not amortized.	Under Indian GAAP, there is no concept of indefinite useful life of intangible assets. Further, Indian GAAP contains a rebuttable presumption that the life of intangible assets should not exceed 10 years, which is absent in Ind AS.
Leases			
23.	Whether an arrangement contains a lease	Ind AS requires an entity to determine whether an arrangement, comprising a transaction or a series of related transactions, that does not take the legal form of a lease but conveys a right to use an asset in return for a payment or series of payments, is a lease. Under Appendix C of Ind AS 17, determining whether an Arrangement contains a Lease, such determination shall be based on the substance of the arrangement.	Indian GAAP does not provide any guidance for such arrangements.

S. No	Particulars	Ind AS	Indian GAAP
24.	Operating Leases	Under Ind AS 17 straight lining of operating lease is not required, if the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.	Indian GAAP requires lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.
Related Party Transactions			
25.	Related Party Disclosures	According to Ind AS, an entity discloses that the terms of related party transactions are equivalent to those that prevail in arm's length transactions, only if such terms can be substantiated. Ind AS requires disclosure of key management personnel's compensation in total and for certain specified categories, such as short-term employee benefits and post-employment benefits	Indian GAAP has no such stipulation on substantiation of related party transactions when the same is disclosed to be on arm's length basis. Indian GAAP does not have such requirement.
Segment Reporting			
26.	Operating Segment	On adoption of Ind AS, the identification of an entity's segments may change from the position under Indian GAAP. Ind AS requires operating segments to be identified on the basis of internal reports on components of the entity that are regularly reviewed by the Chief Operating Decision Maker ("**CODM**"), in order to allocate resources to the segment, and to assess its performance.	Indian GAAP requires an entity to identify two sets of segments, business and geographical, using a risk-and-reward-approach, with the entity's "system of internal financial reporting to key management personnel" serving only as the starting point for the identification of such segments.
First Time Adoption			
27.	Exemptions	Ind AS 101 gives guidance on preparation of first Ind AS financial statement. Ind AS grants limited mandatory and voluntary exemptions from full retrospective application.	There is no specific standard. Full retrospective application would be required.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, there is no outstanding (i) criminal litigation involving our Company, Subsidiaries, Directors, Promoters or Group Companies; (ii) action by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, Promoters or Group Companies; (iii) outstanding claims involving our Company, Subsidiaries, Directors, Promoters or Group Companies for any direct or indirect tax liabilities; and (iv) other material litigations involving our Company, Subsidiaries, Directors, Promoters or Group Companies. Our Board, in its meeting held on September 19, 2016, has adopted a policy for identification of Group Companies, material creditors and material legal proceedings ("**Materiality Policy**").*

Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding this Red Herring Prospectus; (iv) inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company or Subsidiaries during the last five years immediately preceding the year of this Red Herring Prospectus; (v) prosecutions filed (whether pending or not); fines imposed against or compounding of offences under the Companies Act by our Company and its Subsidiaries, in the last five years immediately preceding the year of this Red Herring Prospectus; (vi) litigation or legal action, pending or taken, against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding this Red Herring Prospectus; (vii) other pending litigations involving our Company, Subsidiaries, Directors, Promoters, Group Companies or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; or (viii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (ix) outstanding dues to small scale undertaking and other creditors; and (x) overdues or defaults to banks or financial institutions by our Company.

Other than the abovementioned legal proceedings, our Company or Subsidiaries are not involved in any other material legal proceedings, determined pursuant to the Materiality Policy. For the purposes of disclosure, pursuant to the SEBI ICDR Regulations and the Materiality Policy of our Company, all pending litigation involving our Company, Subsidiaries, Directors, Promoters and Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹ 5.00 million, i.e., approximately 1% of the consolidated profit after tax of our Company as per the last restated consolidated financial statements of the Company for a full Fiscal 2015-2016 as included in this Red Herring Prospectus or such pending litigation proceedings which are material from the perspective of the business, operations, prospects or reputation of our Company or Subsidiaries, as the case may be.

*Our Board, in its meeting held on September 19, 2016, with respect to (i) outstanding dues to creditors; or (ii) outstanding dues to small scale undertakings and other creditors, determined that outstanding dues to creditors in excess of ₹ 10.00 million as per the last restated unconsolidated financial statements of our Company included in this Red Herring Prospectus shall be considered as material dues ("**Material Dues**").*

All terms defined in a particular disclosure of a litigation are for that particular litigation only.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, Subsidiaries, Directors, Promoters or the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Subsidiaries, Directors, Promoters or its Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

Litigation involving our Company

I. Litigation against our Company

A. *Criminal Proceedings*

1. A complaint has been filed by Mr. Jay Kant Mishra against our Company before the Tis Hazari Court, New Delhi. Our Company is yet to receive a notice or summons in this regard. Accordingly, we are unable to ascertain the facts alleged against us in this matter. The complainant is to appear before the court for submitting the pre summoning evidence on April 20, 2017. Our Company is presently trying to procure a copy of the complaint.

B. *Civil Proceedings*

1. Dr. R.S Aggarwal, Mr. Deepak Aggarwal and Mr. Vikas Aggarwal filed a suit for permanent injunction dated May 22, 2014 against our Company for, *inter alia*, the alleged infringement of copyright, author's special rights, rights to publicity, invasion of privacy, violation of moral rights and breach of contract with respect to books published by our Company relating to quantitative aptitude and verbal and non-verbal reasoning seeking damages in the amount of ₹ 20 million in this regard. An interim injunction was granted against our Company on May 23, 2014 staying the reproduction of the aforementioned books and a local Commissioner was appointed to visit the premises of our Company. Thereafter, our Company filed a written statement dated September 6, 2014 denying every allegation made by the plaintiffs. The plaintiffs then filed a reply dated March 16, 2015, further accusing our Company of not complying with the interim injunction granted on May 23, 2014. Subsequently, Dr. R.S. Agarwal filed an application dated March 28, 2016 under section 15(4) of the Commercial Court, Commercial Division and Commercial Appellate Division of High Court Act, 2015 read with order XV-A rules 2 and 6 of the Civil Procedure Code, 1908 (as amended) for speedy and effacious disposal in accordance with the Civil Procedure Code, 1908. The High Court of Delhi passed an order dated March 6, 2017 directing our Company to make payments of all outstanding royalties to Mr. R.S. Aggarwal and Mr. Deepak Aggarwal for and up to March 31, 2016 by March 31, 2017. In compliance with the said order, our Company paid ₹ 32.04 million vide cheque dated March 28, 2017 to Mr. R. S. Aggarwal and ₹ 15.64 million vide cheque dated March 21, 2017 to Mr. Deepak Aggarwal.

2. There are certain civil proceedings involving our Company that relate to labour disputes. These matters are currently pending before various authorities. However there is no outstanding proceeding against our Company which involves a pecuniary repercussion of ₹ 5.00 million or more, nor any outstanding litigation wherein monetary liability is not quantifiable and whose outcome would have a bearing on the operations or performance of our Company.

C. *Actions by Statutory/ Regulatory Authorities*

1. Our Company, S. Chand Hotels Private Limited, SC Hotel Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited and S Chand Properties Private Limited received two (2) notices, each dated March 23, 2016 under section 33A of Indian Stamp Act and section 80A of the Registration Act in respect of its alleged non-payment of a stamp duty of ₹ 95.01 million and registration fees of ₹ 9.15 million on account of the Scheme. In this regard, Ceebros Hotels Private Limited, the purchaser of the disputed land of the Company in Chennai, filed a writ petition before the High Court of Judicature at Madras against the state of Tamil Nadu, the Inspector General of Registration and the Sub-Registrar, Pariamet, Chennai. The court passed an order dated April 27, 2016 directing the Sub-Registrar, Pariamet, Chennai to receive the payment of ₹ 27.15 million as stamp duty by the petitioner. Thereafter, Ceebros Hotels Private Limited issued a letter dated May 13, 2016 to our Company requesting us to reimburse them by paying such amount of ₹ 27.15 million. Our Company is yet to respond to letter dated May 13, 2016. Our Company, S. Chand Hotels Private Limited, SC Hotel Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited and S Chand Properties Private Limited thereafter, filed two (2) writ petitions each dated August 5, 2016 before the Madras High Court praying for the issuance of a writ of certiorified mandamus and quashing the notices received on March 23, 2016.

2. The Office of the Divisional Commissioner, Revenue Department, Government of National Capital Territory of Delhi, issued a notice dated November 14, 2013 to our Company for payment of stamp duty in relation to transfer of property pursuant the demerger of our Company's hotel and real estate business to S. Chand Hotels Private Limited, SC Hotel Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited in terms of the Scheme. Our Company filed a reply dated February 14, 2014, seeking an exemption from payment of stamp duty and thereafter filed further letters dated February 21, 2014, June 5, 2015 and July 28, 2015, annexing the supporting documents in this regard.

3. Our Company received four (4) summons each dated February 1, 2017 issued by the Metropolitan Magistrate (Traffic Court II), Bangalore in relation to certain violations under the Equal Remuneration Act, 1976, the Payment of Wages Act, 1936, the Karnataka Shops and Commercial Establishment Act, 1961 and the Minimum Wages Act, 1948 requiring us to pay an aggregate penalty of ₹ 10,700. Our Company has paid the said penalty.

   Additionally, certain compounding applications were filed by our Company with the Ministry of Corporate Affairs for compounding of offences and such applications were approved upon the payment of penalty or adequate fees as applicable. For details, see "***Outstanding Litigations and Material Developments–Inquiries, inspections or investigations under Companies Act***" on page 477.

D. *Tax Proceedings*

Set forth below are details of claims relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims.

(₹ in million)

Nature of tax involved	Number of cases	Ascertainable amount involved
Direct Tax		
Income Tax[(1)(2)(3)]	12	95.58
Total	**12**	**95.58**

[(1)] The Assistant Commissioner of Income Tax, Circle 7(1), New Delhi passed an assessment order dated December 29, 2006 in respect of the assessment year 2004-2005 imposing a penalty of ₹ 30.30 million against which an appeal dated January 10, 2007 was filed. The Commissioner of Income Tax (Appeals)-X in his order dated October 22, 2007 partly allowed the appeal. An appeal against the said order was filed before the Income Tax Appellate Tribunal against which an order was passed on January 29, 2010 where the Company's appeal for the assessment year 2004-2005 was allowed. Thereafter, an appeal under Section 260A of the Income Tax Act, 1961 against the order dated January 29, 2010 has been filed in the High Court of Delhi.

[(2)] The Deputy Commissioner of Income Tax, Circle 7(1), New Delhi passed an assessment order dated February 28, 2013 in respect of assessment year 2007-2008 imposing a penalty of ₹ 15.20 million against which an appeal dated March 31, 2013 was filed. The Commissioner of Income Tax (Appeals)-X in his order dated August 16, 2013 partly allowed the appeal. An appeal against the said order was filed before the Income Tax Appellate Tribunal.

[(3)] The Assistant Commissioner of Income Tax, Circle 22(2) passed an assessment order dated March 20, 2015 in respect of the assessment year 2012-2013 imposing a penalty of ₹ 10 million against which an appeal was filed. The Commissioner of Income Tax (OSD)(Appeals)-8, New Delhi in his order dated June 15, 2015 has allowed the appeal. An appeal against the said order was filed before the Income Tax Appellate Tribunal.

II. Litigation by our Company

A. *Criminal Proceedings*

1. Our Company lodged an FIR dated September 17, 2010 before the Station House Officer, Highgrounds Police Station, Bengaluru against Mr. Kishore Kumar, an employee of our Company alleging that Mr. Kumar siphoned money off our Company, constituting offenses under Sections 408, 418, 420, 422, 468, 471 and 477A of the Indian Penal Code, 1860.

2. There are 18 complaints filed by our Company against some of our distributors and customers under Section 138 of the Negotiable Instruments Act, 1881. All these complaints have been filed in order to recover sums due to our Company, usually on account of products supplied, for which cheques issued in favour of our Company have been dishonoured for various reasons including insufficiency of funds or closure of the distributor's/ customer's account. The aggregate amount involved in these proceedings, to the extent ascertainable is ₹ 17.01 million. These matters are pending before various authorities.

B. *Civil Proceedings*

1. Our Company filed a statement of claim dated April 16, 2015 before the Arbitral Tribunal against Walldorf Integration Solutions Limited, *erstwhile* Citixsys Technologies Limited ("**Walldorf**"), Mr. Kamal Karmakar and Mr. Ritesh Arora, seeking payment of a total claim amount of ₹ 83.68 million along with interest for the breach of the terms of the debenture conversion agreement dated March 3, 2009 ("**DCA**"). Our Company alleged that Walldorf defaulted in redeeming the preference shares issued under the DCA and took steps to wind up its operations in India in order to transfer all its business to a newly incorporated overseas company. Walldorf filed a reply dated July 16, 2015, denying the allegations made in the

statement of claim. Further, an application under section 16 of the Arbitration and Conciliation Act, 1996 was filed by Mr. Kamal Karmarkar requesting for deletion of his name from the suit in response to which our Company filed a reply dated October 30, 2015. The Arbitral Tribunal passed an order dated January 28, 2017 wherein Mr. Kamal Karmarkar's statement was recorded. Further, the Arbitral Tribunal passed another order dated January 30, 2017 stating that the stage of evidence for all parties is over and closed and accordingly, directed the parties to submit the statement of accounts witnessing that the requisite amounts were paid.

2. Our Company issued two notices both dated March 10, 2017 to Mr. S.K. Jain and Dr. Shailesh K. Jain, alleging breach of the author agreement entered into by Mr. S.K. Jain and Dr. Shailesh K. Jain with our Company which provided our Company with the first option to publish any future books written by Mr. S.K. Jain and Dr. Shailesh K. Jain. Mr. S.K. Jain and Dr. Shailesh K. Jain authored certain books which were published by Viva Books Private Limited. Further, our Company alleged that neither an opportunity was provided to our Company to publish, nor a no-objection sought from our Company, in contravention of the author agreement. In relation to the said notices, Viva Books Private Limited, Mr. S.K. Jain and Dr. Shailesh K. Jain have filed a caveat petition dated March 16, 2017, before the High Court of Delhi against our Company seeking no ex-parte orders be passed against the caveators or application without notice be passed to the caveators.

3. Our Company filed a civil suit against M. Prabhu Sankar, proprietor, Books N All, before the District Judge, Tis Hazari Courts, Delhi, for recovery of outstanding amount amounting to ₹ 5.89 million along with interest of 18% per annum towards payment of supply of books.

Litigation involving our Subsidiaries

Litigation involving Nirja Publishers

I. Litigation against Nirja Publishers

A. *Tax Proceedings*

(₹ in million)

Nature of tax involved	Number of cases	Ascertainable amount involved
Direct Tax		
Income Tax	2	74.91
Total	**2**	**74.91**

Litigation involving VPHPL

I. Litigation against VPHPL

A. *Criminal Proceedings*

1. Major General VK Singh filed an application dated July 24, 2009 under Section 156(3), Code of Criminal Procedure, 1973 before the Chief Metropolitan Magistrate, Tis Hazari, Delhi requesting the Court to issue directions to the Central Bureau of Investigation to register an FIR and investigate the alleged violations of the Official Secrets Act, 1923 due to the contents of two books written by Mr. Asoka Raina, one of which was published by VPHPL.

B. *Tax Proceedings*

(₹ in million)

Nature of tax involved	Number of cases	Ascertainable amount involved
Indirect Tax		
UP VAT	1	-
Total	**1**	**-**

II. Litigation by VPHPL

A. *Criminal Proceedings*

1. There are 11 complaints filed by VPHPL against some of its distributors and customers under Section 138 of the Negotiable Instruments Act, 1881. All these complaints have been filed in order to recover sums due to VPHPL, usually on account of products supplied, for which cheques issued in favour of VPHPL have been dishonoured for various reasons including insufficiency of funds or closure of the distributor's/ customer's account. The aggregate amount involved in these proceedings, to the extent ascertainable is ₹ 5.86 million. These matters are pending before various authorities.

B. *Civil Proceedings*

1. VPHPL initially issued a copyright infringement notice dated August 26, 2013 to Punjab Technical University ("**PTU**") alleging it of exploiting VPHPL's copyright work and calling upon it to cease and desist from carrying out such activities without a valid license. After not receiving a reply from PTU, VPHPL filed a suit dated January 16, 2014 before the High Court of Delhi against PTU and another, seeking damages in the amount of ₹ 100 million as well as grant of a permanent injunction restraining PTU from displaying and allowing the download of copyrighted material of VPHPL on their website.

2. VPHPL filed a civil suit against International Book House Private Limited before the District Judge, Tis Hazari Courts, Delhi for recovery of outstanding amount along with interest amounting to ₹ 12.94 million along with interest of 18% per annum towards payment of supply of books.

3. VPHPL filed a suit dated March 28, 2017 against All India PTU DEP Association and Punjab Technical University before the District Judge, South East District, Saket Courts, Delhi for recovery of outstanding amount of ₹ 6.75 million along with interest at 18% per annum from January 31, 2017 till realisation of the said amount in relation to payment for supply of certain books. PTU DEP Association and Punjab Technical University are yet to file their respective responses to this suit.

Litigation involving DSDPL

I. Litigation against DSDPL

A. *Actions by Statutory/ Regulatory Authorities*

1. There are no actions taken by a statutory/regulatory authority against DSDPL which is currently outstanding. However, DSDPL had filed a compounding application dated December 10, 2014 before the Company Law Board, Northern Region Branch, New Delhi in relation to annual general meeting not being held within the prescribed time period and such compounding application was duly approved upon the payment of penalty. For details, see "***Outstanding Litigations and Material Developments– Inquiries, inspections or investigations under Companies Act***" on page 477.

B. *Tax Proceedings*

(₹ in million)

Nature of tax involved	Number of cases	Ascertainable amount involved
Indirect Tax		
UP VAT	1	2.75
Total	**1**	**2.75**

Litigation involving NSHPL

I. Litigation by NSHPL

A. *Criminal Proceedings*

1. There are 5 complaints filed by NSHPL against some of its distributors and customers under Section 138 of the Negotiable Instruments Act, 1881. All these matters have been filed in order to recover sums due to NSHPL, usually on account of products supplied, for which cheques issued in favour of NSHPL have been dishonoured for various reasons including insufficiency of funds or closure of the distributor's/ customer's account. The aggregate amount involved in these proceedings, to the extent ascertainable is ₹ 2.49 million. These matters are pending before various authorities.

Litigation involving BPI

I. Litigation against BPI

A. Civil Proceedings

Creation for Children International filed a suit (CS (OS) No.2256/2010) against BPI before the High Court of Delhi claiming damages on account of non-payment of dues by BPI for books and allied items ordered. The High Court of Delhi, by its order dated December 7, 2015, passed the decree in favor of Creation of Children International and awarded damages amounting to ₹ 13.29 million along with *pendente lite* and future interest at the rate of 18% per annum to Creation for Children International, to be paid by BPI. BPI subsequently filed an appeal before the division bench of the High Court of Delhi on January 11, 2016 against the decree passed by the High Court of Delhi on December 7, 2015. An interim order dated February 5, 2016 was issued directing BPI to deposit the principal amount with the court pursuant to which ₹ 16.7 million was deposited with the registrar of the High Court of Delhi. Subsequently, OCKHAM B.V.B.A., the present decree holder filed an execution petition dated March 14, 2017 before the High Court of Delhi, seeking the release of ₹ 16.7 million which was deposited by BPI with the registrar of the High Court of Delhi.

II. Litigation by BPI

A. *Criminal Proceedings*

1. There are 3 complaints filed by BPI against some of its distributors and customers under Section 138 of the Negotiable Instruments Act, 1881. All these complaints have been filed in order to recover sums due to BPI, usually on account of products supplied, for which cheques issued in favour of BPI have been dishonoured for various reasons including insufficiency of funds or closure of the distributor's/ customer's account. The aggregate amount involved in these proceedings, to the extent ascertainable is ₹ 1.95 million. These matters are pending before various authorities.

Litigation involving Blackie

I. Litigation against Blackie

A. *Tax Proceedings*

(₹ in million)

Nature of tax involved	Number of cases	Ascertainable amount involved
Direct Tax		
Property tax	1	1.79
Total	**1**	**1.79**

Litigation involving our Promoters

Litigation against Mr. Himanshu Gupta

A. *Actions by Statutory/ Regulatory Authorities*

There are no actions taken by a statutory/regulatory authority against Mr. Himanshu Gupta which are currently outstanding. However, Mr. Himanshu Gupta, in the capacity of a director of DSDPL was liable to pay fine in respect of a compounding application dated December 10, 2014 filed by DSDPL before the Company Law Board, Northern Region Branch, New Delhi on account of the annual general meeting not being held within the prescribed time period. Such compounding application was duly approved upon the payment of penalty. For details, see "***Outstanding Litigations and Material Developments– Inquiries, inspections or investigations under Companies Act***" on page 477.

Litigation against Mr. Dinesh Kumar Jhunjhnuwala

A. *Actions by Statutory/ Regulatory Authorities*

There are no actions taken by a statutory/regulatory authority against Mr. Dinesh Kumar Jhunjhnuwala which are currently outstanding. However, Mr. Dinesh Kumar Jhunjhnuwala, in the capacity of a director of DSDPL was liable to pay fine in respect of a compounding application dated December 10, 2014 filed by DSDPL before the Company Law Board, Northern Region Branch, New Delhi on account of the annual general meeting not being held within the prescribed time period. Such compounding application was duly approved upon the payment of penalty. For details, see "***Outstanding Litigations and Material Developments– Inquiries, inspections or investigations under Companies Act***" on page 477.

Litigation by Mr. Dinesh Kumar Jhunjhnuwala

A. *Civil Proceedings*

1. Mr. Dinesh Kumar Jhunjhnuwala along with five consenters filed a company petition dated January 15, 2015 against Walldorf, Mr. Kamal Karmakar, Ms. Gouri Karmakar and Mr. Ritesh Arora before the Company Law Board, New Delhi under Section 397 and 398 of the Companies Act, 1956 alleging acts of oppression and management against the minority shareholders of Walldorf and accordingly, seeking, amongst others, that the respondents purchase the shares of the petitioners at a fair value decided by the Company Law Board, permanently restrain the respondents from transferring the business of Walldorf to any third party and taking any steps of winding up of Walldorf. The Company Law Board, New Delhi passed an order dated December 29, 2015 dismissing the company petition. Thereafter, Mr. Dinesh Kumar Jhunjhnuwala filed an appeal on April 18, 2016 against the said order of the Company Law Board, New Delhi before the High Court of Delhi.

Litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoters during the last five years

Nil

Litigation involving our Group Companies

Litigation against SC Hotel Tourist Deluxe Private Limited

For details, see "***Outstanding Litigations and Material Developments– Litigation involving our Company– Litigation against our Company– Actions taken by Statutory/ Regulatory Authorities***" on page 470.

Litigation against S Chand Properties Private Limited

For details, see "***Outstanding Litigations and Material Developments– Litigation involving our Company– Litigation against our Company– Actions taken by Statutory/ Regulatory Authorities***" on page 470.

Litigation against Shaara Hospitalities Private Limited

For details, see "***Outstanding Litigations and Material Developments– Litigation involving our Company– Litigation against our Company– Actions taken by Statutory/ Regulatory Authorities***" on page 470.

Litigation against S. Chand Hotel Private Limited

For details, see "***Outstanding Litigations and Material Developments– Litigation involving our Company– Litigation against our Company– Actions taken by Statutory/ Regulatory Authorities***" on page 470.

Litigation involving our Directors

Litigation against Mr. Himanshu Gupta

A. *Actions by Statutory/ Regulatory Authorities*

There are no actions taken by a statutory/regulatory authority against Mr. Himanshu Gupta which are currently outstanding. However, Mr. Himanshu Gupta, in the capacity of a director was liable to pay fine in respect of a

compounding application dated December 10, 2014 filed by DSDPL before the Company Law Board, Northern Region Branch, New Delhi on account of the annual general meeting not being held within the prescribed time period. Such compounding application was duly approved upon the payment of penalty. For details, see "***Outstanding Litigations and Material Developments– Inquiries, inspections or investigations under Companies Act***" on page 477.

Litigation against Mr. Dinesh Kumar Jhunjhnuwala

A. *Actions by Statutory/ Regulatory Authorities*

There are no actions taken by a statutory/regulatory authority against Mr. Dinesh Kumar Jhunjhnuwala which are currently outstanding. However, Mr. Dinesh Kumar Jhunjhnuwala, in the capacity of a director was liable to pay fine in respect of a compounding application dated December 10, 2014 filed by DSDPL before the Company Law Board, Northern Region Branch, New Delhi on account of the annual general meeting not being held within the prescribed time period. Such compounding application was duly approved upon the payment of penalty. For details, see "***Outstanding Litigations and Material Developments– Inquiries, inspections or investigations under Companies Act***" on page 477.

Litigation by Mr. Dinesh Kumar Jhunjhnuwala

For details, see "***Outstanding Litigations and Material Developments– Litigation involving our Company– Litigation against our Directors– Litigation by Mr. Dinesh Kumar Jhunjhnuwala- Civil Proceedings***" on page 475.

Default or non payment of statutory dues

There are no fines that have been imposed on our Company in the past for defaults or non-payment of statutory dues. Except as disclosed in the section "***Financial Statements***" on page 207, there are no outstanding dues of our Company.

Amounts owed to small scale undertakings and creditors

As on December 31, 2016, our Company, on an unconsolidated basis has seven material creditors, to whom a total amount of ₹ 430.57 million was outstanding as trade payables in terms of the Materiality Policy.

As on December 31, 2016, our Company owes the following amounts to small scale undertakings and other creditors:

Particulars	Number of creditors	Amount involved (₹ in million)
Small scale undertakings (registered micro, small and medium enterprises)	4	0.89
Other creditors	953*	676.82

** Other creditors also include expenses payable , employee payable , royalty payable , audit fees payable , pending clearing payable , stale cheque payable, bonus payable and rent equalization levy. Such creditors have been considered as individual creditors for the purpose of counting of number of creditors.*

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at www.schandgroup.com. It is clarified that such details available on our website do not form a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

Material Developments

Except as disclosed in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 418, there have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

Proceedings initiated against our Company and our Directors for economic offences

There are no proceedings initiated against our Company or our Directors for any economic offences.

Inquiries, inspections or investigations under Companies Act

There are no inquiries, inspections or investigations initiated or conducted against our Company under the Companies Act, 2013 or any previous company law in the five years immediately preceding the date of filing of this Red Herring Prospectus. Further, except as disclosed below, there are no prosecutions filed (whether pending or otherwise), fines imposed, compounding of offences done by our Company or our Subsidiaries under the Companies Act, 2013 or any previous Companies Act in the five years immediately preceding this Red Herring Prospectus involving our Company.

1. Our Company filed a compounding application dated December 30, 2011 on January 23, 2012 for compounding the offence with the RoC, in relation to not filing the particulars of satisfaction of charge within the time period prescribed under the Companies Act, 1956. The RoC has pursuant to an order dated May 23, 2012 imposed an additional fee amounting to ₹ 0.01 million, which has been paid by our Company. The aforementioned compounding application has been approved.

2. Our Company has filed the following compounding applications for compounding the offences with the Ministry of Corporate Affairs in relation our Company's failure to file Form MGT 14 and Form MR 1 for appointment of Managing Director(s) and Chief Financial Officer of our Company within the time period prescribed under the Companies Act, 2013.

    a) Suo moto application dated March 10, 2016 for condonation of delay in filing of the board resolution in E-Form MGT-14 under section 460 (b) of the Companies Act, 2013 regarding the appointment of Ms. Nirmala Gupta as managing director of our Company. The Assistant Directors, Ministry of Corporate Office in its order dated August 30, 2016 has condoned the delay in the matter upon the payment of fees and additional fees under the Companies Act, 2013, as applicable.

    b) Suo moto application dated March 10, 2016 for condonation of delay in filing of the special resolution in E-Form MGT-14 and E Form MR-1 under section 460 (b) of the Companies Act, 2013 regarding the appointment of Ms. Nirmala Gupta as managing director of our Company. The Assistant Directors, Ministry of Corporate Office in its order dated August 30, 2016 has condoned the delay in the matter upon payment of fees and additional fees under the Companies Act, 2013, as applicable.

    c) Suo moto application dated March 10, 2016 for condonation of delay in filing of the board resolution in E-Form MGT-14 and E Form MR-1 under section 460 (b) of the Companies Act, 2013 regarding the appointment of Mr. Himanshu Gupta as managing director of the Company. The Assistant Directors, Ministry of Corporate Affairs in its order dated May 23, 2016 has condoned the delay in the matter upon payment of fees and additional fees under the Companies Act, 2013, as applicable.

    d) Suo moto application dated March 10, 2016 for condonation of delay in filing of the board resolution in E-Form MGT-14 and E Form MR-1 under section 460 (b) of the Companies Act, 2013 regarding the appointment of Mr. Saurabh Mittal as Chief Financial Officer of the Company. The Assistant Directors, Ministry of Corporate Affairs in its order dated May 23, 2016 has condoned the delay in the matter upon payment of fees and additional fees under the Companies Act, 2013, as applicable.

3. DSDPL filed a compounding application on December 10, 2014 for compounding the offence before the Company Law Board, Northern Region Bench, New Delhi, in relation to the annual general meeting not being held within the time period prescribed in Section 166(1) read with Section 210 of the Companies Act, 1956. The Company Law Board, pursuant to an order dated June 1, 2015 imposed a compounding fee of ₹ 0.10 million on DSDPL, ₹ 0.05 million each on Mr. Himanshu Gupta, Mr. Dinesh Kumar Jhunjhnuwala and Mr. Amit Kumar Gupta in the capacity of directors of DSDPL and ₹ 0.02 million on Ms. Mona Kaushik in the capacity of company secretary of DSDPL which has been paid by them. The aforementioned compounding application has been approved.

Material Frauds

Except for the proceedings initiated against Mr. Kishore Kumar, further details of which are provided at "***– Litigation by our Company – Criminal Proceedings***" on page 471, there are no material frauds committed against our Company during the five years immediately preceding the date of this Red Herring Prospectus.

Outstanding litigation against any other person or companies whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act, 2013, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

Adverse findings against any persons/entities connected with our Company as regards non-compliance with securities laws

There are no adverse findings involving any persons/entities connected with our Company as regards non-compliance with securities law except as disclosed in this section.

Disciplinary action taken by SEBI or stock exchanges against our Company

There are no disciplinary actions taken by SEBI or stock exchanges against our Company, Promoters or Directors.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals obtained by our Company and our Subsidiaries. The approvals set out below are obtained by our Company and our Subsidiaries, as applicable (other than the Offer and incorporation related approvals), for the purposes of carrying out their present business. In view of these approvals, our Company can undertake this Offer and current business activities. In the event that any of the approvals and licenses required for our business operations expires in the ordinary course of business, we shall apply for their renewal from time to time. For details in connection with the regulatory and legal framework within which we operate, see "***Key Industrial Regulations and Policies in India***" on page 153. The objects clause of the respective memoranda of association enables us to undertake our present business activities.

The approvals required to be obtained by our Company and Subsidiaries include the following:

1. Incorporation details of our Company and Subsidiaries

(a) Our Company was incorporated as 'S. Chand & Co. Private Limited' as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Delhi on September 9, 1970. For further details in relation to incorporation, see "***History and Certain Corporate Matters***" on page 157.

(b) For incorporation details of our Subsidiaries, please see "***Our Subsidiaries***" beginning on page 172.

2. Approvals in relation to the Offer

For details, see "***Other Regulatory and Statutory Disclosures***" on page 483.

3. Approvals obtained by our Company and Subsidiaries in relation to our business and operations

Set forth below is a brief description of the approvals received by us for our business operations. The material approvals obtained in respect of our operations and listed below are valid as on the date of this Red Herring Prospectus. Some of these approvals may expire in the ordinary course of our business and applications for renewal of such approvals shall be submitted in accordance with applicable procedures and requirements. Further, these approvals and licenses are subject to the effective implementation of the conditions contained therein.

Rudrapur Factory Licenses

(a) Factory license bearing number 1586 initially issued on May 28, 2010 and renewed until December 31, 2017, by the Deputy Director of Factories, Uttarakhand to Mr. Himanshu Gupta for setting up of a factory.
(b) Consolidated consent to operate and authorization bearing number 32485/1357 dated April 3, 2013, valid with effect from September 14, 2012 until March 31, 2017 issued by Uttarakhand Environment Protection and Pollution Control Board to Nirja Publishers. Our Company has made an application dated March 25, 2017 for renewal of the consolidated consent to operate before the Uttarakhand Environment Protection and Pollution Control Board.
(c) Contract labour registration bearing number 372/10 dated November 23, 2010 issued by the Registration Officer, Government of Uttarakhand to Nirja Publishers.
(d) Examination Certificate bearing number 2332 dated October 22, 2012 issued by the Electricity Inspector, Government of Uttarakhand to Nirja Publishers.

Sahibabad Factory Licenses

(a) Factory license bearing number 5558 initially issued on May 31, 2014 and renewed until December 31, 2018, issued by the Deputy Director of Factories, Ghaziabad Division, Ghazaiabad to Mr. Himanshu Gupta for setting up of a factory.
(b) Consolidated consent to operate and authorization bearing number 1098/Consent/V-185/2016 dated June 21, 2016 issued by Regional Officer, UP Pollution Control Board, Ghaziabad to VPHPL.
(c) Contract labour registration bearing number 649/15 issued with effect from August 18, 2015 as amended by registration bearing number 3658 dated May 16, 2016 issued to VPHPL by the Deputy Labour Commissioner.

(d) Test Certificate bearing number 00280790/03, 00280790/04, 00280790/05, each dated August 31, 2015 issued by Scientific Age Research and Testing Lab Private Limited to VPHPL.

Registration under Employee Provident Fund Act, 1952 ("EPF Act") and Employee's State Insurance Act, 1948 ("ESI Act") and other related acts applicable in different states

The EPF Act is applicable to factories employing 20 or more employees and such other establishments and industrial undertakings as notified by the government from time to time. Accordingly, our branch offices which are required to be registered under the EPF Act have registered with the relevant regional provident fund commissioner with jurisdiction. These are one-time registrations, and our Company and Subsidiaries make regular contribution to the employees' provident fund as prescribed under the EPF Act.

The ESI Act provides for certain benefits to employees in case of sickness, maternity, injury in the course of employment and certain other matters in relation thereto. All employers in establishments covered by the criteria specified in the ESI Act are required to register such factory/establishments under the ESI Act. The ESI Act is applicable to our branch offices and offices of our clients where we have deployed our employees as part of our service. Accordingly, our Company and Subsidiaries have obtained registrations under the ESI Act. These are one-time registrations and our Company and Subsidiaries make regular contribution to the employees' state insurance corporation with jurisdiction.

4. Approvals in relation to investment

Our Company received a letter (no. ND.FED.FID.8009/06.04.5682/2012-13) dated January 11, 2013 from the Reserve Bank of India ("**RBI**") which required our Company to submit a confirmation that our activities were permitted under the automatic route of the Consolidated Foreign Direct Investment Policy dated April 5, 2013 ("**FDI Policy 2013**"). Our Company, pursuant to its letter dated January 23, 2013, requested the Department of Industrial Promotion and Promotion ("**DIPP**") to provide such confirmation. The DIPP, by its letter dated February 18, 2013, stated that the main activities of our Company, which include, *inter alia*, publishing of newspapers, journals, magazines and periodicals ("***Restricted Activities***") were not permitted under the automatic route of the FDI Policy 2013.

Subsequently, our Company, by its letter dated February 28, 2013 stated that an outdated copy of the memorandum of association had been erroneously provided earlier. Our Company further stated that the objects pertaining to the Restricted Activities had been specifically removed from the objects clause of the memorandum of association. Accordingly, our Company requested the DIPP to reconsider whether its activities were included under the automatic route and reiterated it in the letter dated May 13, 2013 issued by our Company.

Our Company received a letter dated April 20, 2015 from the DIPP requiring us to go to the FIPB to confirm our understanding that our business operations fall under the automatic route. Our Company, referred to its meeting held on June 24, 2015 and the letter of the DIPP dated April 20, 2015, and issued a letter dated June 25, 2015 stating that every business activity carried out by it fell under the purview of automatic route. Our Company further confirmed that any e-books related business it undertakes would be in compliance of applicable laws. Accordingly, our Company requested the DIPP to reconsider contents of its letter dated April 20, 2015. The DIPP, pursuant to its letter dated September 8, 2015, confirmed that FDI in the activities of our Company was under the automatic route.

5. Tax related approvals

(a) Permanent Account Number:

- Permanent Account Number (AAACS1149M) issued by the Income Tax Department to our Company under the Income Tax Act, 1961.
- Permanent Account Number (AAACB1030E) issued by the Income Tax Department to Blackie under the Income Tax Act, 1961.
- Permanent Account Number (AABCB5650K) issued by the Income Tax Department to BPI under the Income Tax Act, 1961.
- Permanent Account Number (AACCC9925B) issued by the Income Tax Department to Chhaya Prakashani Private Limited under the Income Tax Act, 1961.

- Permanent Account Number (AAACE0466H) issued by the Income Tax Department to EPHL under the Income Tax Act, 1961.
- Permanent Account Number (AAACI5765M) issued by the Income Tax Department to IPPCPL under the Income Tax Act, 1961.
- Permanent Account Number (AAECN5485F) issued by the Income Tax Department to NSHPL under the Income Tax Act, 1961.
- Permanent Account Number (AAACN4282E) issued by the Income Tax Department to Nirja Publishers under the Income Tax Act, 1961.
- Permanent Account Number (AAFCP0273J) issued by the Income Tax Department to PSPL under the Income Tax Act, 1961.
- Permanent Account Number (AAOCS5762J) issued by the Income Tax Department to S Chand Edutech under the Income Tax Act, 1961.
- Permanent Account Number (AAOCS5765R) issued by the Income Tax Department to Safari Digital under the Income Tax Act, 1961.
- Permanent Account Number (AAACV0006A) issued by the Income Tax Department to VPHPL under the Income Tax Act, 1961.
- Permanent Account Number (AABCH9683A) issued by the Income Tax Department to DSDPL under the Income Tax Act, 1961.

(b) Service Tax Code:

- Service Tax Code (AAACS1149MST001) issued by the Central Board of Excise and Customs to our Company under the Financial Act, 1994 on October 18, 2007 and last amended on February 8, 2013.
- Service Tax Code (AABCB5650KSD001) issued by the Central Board of Excise and Customs to BPI under the Financial Act, 1994 on May 11, 2015.
- Service Tax Code (AACCC9925BSD002) issued by the Central Board of Excise and Customs to Chhaya Prakashani Private Limited under the Financial Act, 1994 on January 7, 2016.
- Service Tax Code (AABCH9683AST001) issued by the Central Board of Excise and Customs to DSDPL under the Financial Act, 1994 on April 27, 2010.
- Service Tax Code (AAACE0466HSD001) issued by the Central Board of Excise and Customs to EPHL under the Financial Act, 1994 on March 31, 2016.
- Service Tax Code (AAECN5485FSD001) issued by the Central Board of Excise and Customs to NSHPL under the Financial Act, 1994 on February 14, 2014.
- Service Tax Code (AAACN4282ESD001) issued by the Central Board of Excise and Customs to Nirja Publishers under the Financial Act, 1994 on September 7, 2012.
- Service Tax Code (AAOCS5765RSD002) issued by the Central Board of Excise and Customs to Safari Digital under the Financial Act, 1994 on December 19, 2014.
- Service Tax Codes (AAACV0006AST001 and AAACV0006AST002) issued by the Central Board of Excise and Customs to VPHPL under the Financial Act, 1994 on November 2, 2005 and February 21, 2006, respectively.

(c) VAT and Central Sales Tax registration issued by relevant authorities in different States of India to our Company and Subsidiaries under applicable laws of the respective States.

6. Other approvals

(a) Importer-Exporter Code:

- Our Company obtained an importer-exporter code (0588060747) dated October 30, 2012 (with effect from June 27, 1989) issued by the Ministry of Commerce and Industry, Government of India.
- BPI obtained an importer-exporter code (0301007837) dated August 22, 2016 (with effect from May 22, 2001) issued by the Ministry of Commerce and Industry, Government of India.
- DSDPL obtained an importer-exporter code (0508001102) dated April 3, 2008 (with effect from April 4, 2008) issued by the Ministry of Commerce and Industry, Government of India.
- Nirja Publishers obtained an importer-exporter code (0509015972) dated May 29, 2009 (with effect from May 29, 2009) issued by the Ministry of Commerce and Industry, Government of India.
- VPHPL obtained an importer-exporter code (0588055247) dated March 9, 2007 (with effect from April 1, 1988) issued by the Ministry of Commerce and Industry, Government of India.

- Safari Digital has obtained an importer-exporter code (0515001449) dated April 10, 2015 (with effect from April 10, 2015) issued by the Ministry of Commerce and Industry, Government of India.

For more information on our intellectual property registrations, see "***Our Business - Intellectual Property***" on page 151.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

- The Offer has been authorized by the Board of Directors pursuant to a resolution dated September 19, 2016 and by the shareholders of our Company pursuant to a special resolution dated November 10, 2016 under Section 62(1)(c) of the Companies Act.

- Mr. Himanshu Gupta has consented to the inclusion of his portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Mr. Dinesh Kumar Jhunjhnuwala has consented to the inclusion of his portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Neerja Jhunjhnuwala has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Nirmala Gupta has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Savita Gupta has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Ms. Ankita Gupta has consented to the inclusion of her portion of the Offer for Sale pursuant to the letter dated December 7, 2016. Mr. Gaurav Kumar Jhunjhnuwala has consented to the inclusion of his portion of the Offer for Sale pursuant to the letter dated December 7, 2016.

- Everstone specifically confirms that by way of its consent letter dated December 12, 2016 and board resolutions dated June 17, 2016 and March 13, 2017 of its board of directors it has authorised the offer, sale and transfer of the respective Offered Shares by way of the Offer for Sale pursuant to the Offer.

- Resolution of the Board dated December 8, 2016 approving the Draft Red Herring Prospectus and authorizing the IPO Committee to make any further modifications.

- Resolution of the IPO Committee dated December 16, 2016 approving the Draft Red Herring Prospectus.

- Resolution of the IPO Committee dated March 30, 2017 approving the fresh issue of Equity Shares aggregating up to ₹ 3,250 million.

- Resolution of the Board dated April 13, 2017 approving this Red Herring Prospectus.

- Our Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to their letters dated December 27, 2016 and January 2, 2017, respectively.

Each of the Selling Shareholder, severally and not jointly, specifically confirms that the Offered Shares have been held by it for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner set out under Regulation 26(6) of the SEBI ICDR Regulations. To the extent the Equity Shares being offered by such Selling Shareholders have resulted from a bonus issue, such bonus issue has been on Equity Shares held for atleast one year prior to the filing of the Draft Red Herring Prospectus. Further, in this regard, the Company confirms that the bonus shares have been issued by capitalizing the free reserves of the Company and not by utilisation of revaluation reserves or unrealised profits of the Company. Therefore, the Equity Shares offered by the Selling Shareholders are eligible to be offered for sale in the Offer.

Prohibition by the SEBI or governmental authorities

Our Company, our Directors, our Promoters, members of the Promoter Group, or our Group Companies, were or are not associated as directors or promoters or persons in control of any other company which is or was debarred from accessing the capital markets under any order or directions passed by SEBI or any other regulatory and governmental authorities.

Each of the Promoter Selling Shareholders and Other Selling Shareholders, severally and not jointly, specifically confirm that it has not been prohibited or debarred from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory and governmental authority.

The Investor Selling Shareholder specifically confirms that it has not been prohibited or debarred from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory and governmental authority.

There is no prohibition on our Company, our Promoters, members of the Promoter Group, Directors, Subsidiaries, Group Companies or persons in control of our Company, from accessing or operating in the capital markets for any reasons by SEBI or any other authorities.

Other than Mr. Desh Raj Dogra, none of our Directors or any entity with which our Directors have been associated with as a promoter or a director are associated with the securities market, including any securities market related business and there has been no action taken by SEBI against our Directors or any such entity.

The listing of securities of our Company has never been refused at any time by any stock exchange in India or abroad.

None of our Company, our Directors, our Promoters, relatives of our Promoters, our Promoter Group, and our Group Companies has been declared as wilful defaulters, as defined under the SEBI ICDR Regulations. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

The Investor Selling Shareholder specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations. Further, there has been no violation of any securities law committed by the Investor Selling Shareholder in the past and no such proceedings are currently pending against it.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as described below.

"An issuer may make an initial public offer, if:

(a) it has net tangible assets of at least three crore rupees in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:

Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the issuer has made firm commitments to utilise such excess monetary assets in its business or project;

Provided further that the limit of fifty per cent. on monetary assets shall not be applicable in case the public offer is made entirely through an offer for sale.

(b) it has a minimum average pre-tax operating profit of rupees fifteen crore, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.

(c) it has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each);

(d) the aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;

(e) if it has changed its name within the last one year, at least fifty per cent. of the revenue for the preceding one full year has been earned by it from the activity indicated by the new name."

Our Company's pre-tax operating profit, as restated, net worth and net tangible assets derived from the Restated Financial Statements included in this Red Herring Prospectus as at, and for the last three years Fiscals ended March 31, 2016, 2015 and 2014 are set forth below:

(₹ in million)

Pre-tax operating profit [(1)]

Fiscal ended March 31, 2016		Fiscal ended March 31, 2015		Fiscal ended March 31, 2014		Fiscal ended March 31, 2013		Fiscal ended March 31, 2012	
Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated
282.31	999.55	190.42	798.80	213.94	670.23	168.39	500.57	176.97	220.07

Note:
(1) 'Pre-tax operating profit' is defined as restated profit before tax excluding restated other income (not related to business activity), interest, expenses which are not related to business activity but before exceptional items and finance cost.

Our average pre-tax operating profit calculated on a restated consolidated basis, during the three most profitable years being Fiscal 2016, Fiscal 2015 and Fiscal 2014, out of the immediately preceding five years is ₹ 822.86 million. Our average pre-tax operating profit calculated on a restated unconsolidated basis, during the three most profitable years being Fiscal 2016, Fiscal 2015 and Fiscal 2014, out of the immediately preceding five years is ₹ 228.89 million.

(₹ in million)

Particulars	Fiscal ended March 31, 2016		Fiscal ended March 31, 2015		Fiscal ended March 31, 2014	
	Unconsolidated	Consolidated	Unconsolidated	Consolidated	Unconsolidated	Consolidated
Networth [(1)]	4,840.00	5,991.52	2978.81	3,943.55	2,903.91	3,677.23
Net tangible assets [(2)]	4,724.09	3,674.28	2,901.45	2,264.38	2,860.64	2,401.14
Monetary assets [(3)]	99.52	244.25	57.22	213.23	33.99	176.04
Monetary assets as a % of net tangible assets [(3/2)]	2.11%	6.65%	1.97%	9.42%	1.19%	7.33%

Notes:
(1)'Net worth' has been defined as the aggregate of the paid up share capital and reserves and surplus including capital reserve (excluding revaluation reserve) as reduced by the aggregate of the miscellaneous expenditure (to the extent not adjusted or written-off) as per restated financial statements.
(2) 'Net tangible assets' means the sum of all net assets, excluding intangible assets as defined in Accounting Standard 26 (AS 26) on 'Intangible Assets' issued by the Institute of Chartered Accountants of India and goodwill.
(3) 'Monetary assets' comprise of cash and bank balance (includes deposits with original maturity of less than three months and deposits with remaining maturity for more than 3 months but less than 12 months).

Hence, we are eligible for the Offer as per Regulation 26(1) of the SEBI ICDR Regulations.

In accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted shall not be less than 1,000, failing which, the entire application money will be refunded forthwith in terms of Companies Act, SEBI ICDR Regulations and any other applicable laws.

In terms of Rule 19(2)(b)(i) of the SCRR, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be Allotted on a proportionate basis to QIBs. Provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category under the Anchor Investor Portion. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation, in accordance with the SEBI ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price. For further details, see "***Offer Procedure***" on page 508.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI ICDR Regulations:

(a) Our Company, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoter or persons in control were or are associated as directors or promoters or persons in control have not been debarred or prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

(b) Our Company has applied to the BSE and the NSE for obtaining their in-principle listing approval for listing of the Equity Shares under the Offer and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated December 27, 2016 and January 2, 2017 , respectively. For the purposes of the Offer, the BSE Limited shall be the Designated Stock Exchange;

(c) Our Company has entered into agreements dated April 9, 2012 and July 18, 2016 with NSDL and CDSL respectively, for dematerialisation of the Equity Shares; and

(d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Our Company has not made any arrangements for finance towards the proposed objects of the Offer excluding the amount to be raised through the Fresh Issue.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMS, BEING JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED, AXIS CAPITAL LIMITED AND CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE SELLING SHAREHOLDERS, SEVERALLY AND NOT JOINTLY, WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND THEIR RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED IN THE OFFER, THE BRLMS, BEING JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED, AXIS CAPITAL LIMITED AND CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS, JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED, AXIS CAPITAL LIMITED AND CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 16, 2016, WHICH READS AS FOLLOWS:

WE, THE BRLMS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. "WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS ("DRHP") PERTAINING TO THE OFFER;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS;

WE CONFIRM THAT:

(A) THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE</u>

5. WE CERTIFY THAT WRITTEN CONSENTS FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP. – <u>COMPLIED WITH</u>

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2009, WHICH RELATES TO THE EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT

SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013, AS NOTIFIED.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED ONLY IN DEMATERIALISED FORM

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP:

(A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

(B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER. –COMPLIED WITH AND NOTED FOR COMPLIANCE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND Of THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - COMPLIED WITH.

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.

17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS, REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AS CERTIFIED BY J P CHAWLA & CO. LLP, CHARTERED ACCOUNTANTS PURSUANT TO THEIR CERTIFICATE DATED DECEMBER 14, 2016.

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). - NOT APPLICABLE

The filing of this Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Offer.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

The SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Red Herring Prospectus.

Price information of past issues handled by the BRLMs

The price information of past issues handled by the BRLMs is as follows:

A. JM Financial Institutional Securities Limited

1. *Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by JM Financial Institutional Securities Limited*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	NA	NA	NA
2.	PNB Housing	30,000.00	775.00	November	860.00	+11.70% [-4.16%]	+21.28%	NA

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	Finance Limited			07, 2016			[+2.87%]	
3.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60% [+0.54%]	-11.54% [-6.50%]	+12.31% [+5.28%]
4.	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-0.85% [-1.57%]	-8.54% [-8.72%]	-9.55% [+3.28%]
5.	Dilip Buildcon Limited	6,539.80	219.00	August 11, 2016	240.00	+5.11% [+3.20%]	+1.53% [-0.57%]	+22.12% [+2.43%]
6.	Parag Milk Foods Limited	7,505.40	215.00(1)	May 19, 2016	217.50	+17.07% [+4.97%]	+48.67% [+11.04%]	+38.93% [+6.59%]
7.	Thyrocare Technologies Limited	4,792.10	446.00	May 9, 2016	665.00	+36.85% [+5.09%]	+23.48% [+10.39%]	+39.09% [+7.22%]
8.	S H Kelkar and Company Limited	5,081.70	180.00	November 16, 2015	223.70	+21.69% [-1.35%]	+20.78% [-10.58%]	+24.97% [+0.11%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details

Notes:

1. *Issue price for anchor investors was ₹227 per equity share and a discount of ₹12 per equity share had been offered to eligible employees and retail individual bidders.*
2. *Opening price information as disclosed on the website of NSE.*
3. *Change in closing price over the issue/offer price as disclosed on. NSE.*
4. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
5. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
6. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.*

2. *Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by JM Financial Institutional Securities Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	7	137,049.21	-	-	2	-	1	3	-	-	1	-	2	2
2015-2016	1	5,081.70	-	-	-	-	-	1	-	-	-	-	-	1

** The information is as on the this Red Herring Prospectus.*

Source: www.nseindia.com

B. Axis Capital Limited

1. *Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Avenue Supermarts Limited	18,700	299	March 21, 2017	600.00	-	-	-
2	BSE Limited	12,434.32	806	February 3, 2017	1085.00	+17.52%,[+2.55%]	-	-
3	Varun Beverages Limited	11,250.00	445	November 8, 2016	430.00	-7.72%,[-5.17%]	-9.36%,[+3.01%]	-
4	Endurance Technologies Limited	11,617.35	472	October 19, 2016	572.00	+16.06%,[-6.69%]	+ 23.78%,[-2.84%]	-
5	RBL Bank Limited	12,129.67	225	August 31, 2016	274.20	+27.07%,[-2.22%]	+56.98%,[-7.50%]	+107.91%,[+1.26%]
6	Dilip Buildcon Limited	6,539.77	219	August 11, 2016	240.00	+5.11%,[+3.20%]	+1.53%,[-0.57%]	+22.12%,[+2.43%]
7	Advanced Enzyme Technologies Limited	4,114.88	896[2]	August 1, 2016	1,210.00	+56.24%,[+1.23%]	+145.97%,[-0.12%]	+101.14%,[0.05%]
8	Quess Corp Limited	4,000.00	317	July 12, 2016	500.00	+73.60%,[+0.64%]	+94.59%,[+2.20%]	+110.36%,[-3.34%]
9	Ujjivan Financial Services Limited	8,824.96[1]	210	May 10, 2016	231.90	+72.38%,[+4.88%]	+115.38%,[+10.44%]	+103.93%,[+7.72%]
10	Equitas Holdings Limited	21,766.85	110	April 21, 2016	145.10	+34.64%,[-2.05%]	+57.91%,[+7.79%]	+63.77%,[+7.69%]

Source: www.nseindia.com

[1]Ujjivan Financial Services Limited has undertaken a Pre-Ipo Placement aggregating to ₹2,918.39 Million. The size of the fresh issue as disclosed in the draft red herring prospectus dated December 31, 2015, being ₹6,500 Million, has been reduced accordingly.

[2]Price for eligible employees was ₹810.00 per equity share

Notes:

a. The CNX NIFTY is considered as the Benchmark Index.

b. Price on NSE is considered for all of the above calculations.

c. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.

d. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. *Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	10	1,11,377.80	-	-	1	3	2	3	-	-	-	5	-	1
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2

** The information is as on the this Red Herring Prospectus.*

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. Credit Suisse Securities (India) Private Limited

1. *Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Credit Suisse Securities (India) Private Limited*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Syngene International Limited	5,500.00	250.00	August 11, 2015	295.00	36.00%, [-7.61%]	44.90%, [-6.47%]	57.20%, [-12.70%]
2	TeamLease Services Limited	4,236.77	850.00	February 12, 2016	860.00	15.34%, [7.99%]	5.38%, [12.43%]	35.35%, [24.31%]

Source:www.nseindia.com for the price information and prospectus for issue details

Notes:

a. 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading data.

b. Price information and benchmark index values have been shown only for the designated stock exchange in the above table.

c. NSE is the designated stock exchange for the issue listed in the above table. NIFTY has been used as the benchmark index

2. *Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Credit Suisse Securities (India) Private Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015-2016	2	9,736.77	-	-	-	-	1	1	-	-	-	1	1	-

** The information is as on the date of this Red Herring Prospectus.*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular (CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please refer to the websites of the BRLMs, as set forth in the table below.

S. No.	Name of the BRLM	Website
1.	JM Financial Institutional Securities Limited	www.jmfl.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	Credit Suisse Securities (India) Private Limited	www.credit-suisse.com

Caution – Disclaimer from our Company, the Selling Shareholders, our Directors, and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance. It is clarified that each of the Selling Shareholders, severally and not jointly, accepts no responsibility for any statements made or undertakings provided other than those made specifically by the respective Selling Shareholders, in relation to them and to the Equity Shares offered by such Selling Shareholders through the Offer. Anyone placing reliance on any other source of information, including our Company's website, www.schandgroup.com, or the website of any of our Promoters, Subsidiaries, Promoter Group, Group Companies, Selling Shareholders or of any affiliate or associate of our Company, would be doing so at his or her own risk.

The Investor Selling Shareholder, its respective directors, affiliates, associates and officers accepts/undertakes no responsibility for any statements made other than those made specifically by it in relation to itself and to the Equity Shares offered by it by way of the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into amongst the BRLMs, our Company, and the Selling Shareholders, and the Underwriting Agreement to be entered into amongst the Underwriters, our Company, the Selling Shareholders and Registrar to the Offer.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information will be made available for a section of investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company, nor the Selling Shareholders, nor any of the Designated Intermediaries nor any members of the Syndicate shall be liable to Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, each of the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, each of the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

The BRLMs and their respective affiliates and associates may engage in transactions with, and perform services for, our Company, Subsidiaries, Promoters, members of our Promoter Group, and its Group Companies or affiliates or the Selling Shareholders and their respective affiliates or associates or group companies or third parties in the ordinary course of business and have engaged, or may in the future engage, in transactions including underwriting, commercial banking and investment banking transactions with our Company, Subsidiaries, Promoters, members of our Promoter Group, and its Group Companies or affiliates or the Selling Shareholders and their respective affiliates, associates, group companies or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

The Offer is being made in India to persons resident in India, including Indian national residents in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, venture capital funds, permitted insurance companies, alternative investment funds, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Bidders are advised to ensure that any single bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

Jurisdiction

Exclusive jurisdiction for the purpose of any dispute arising out this Offer will be subject to the competent courts/authorities in India.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Red Herring Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

This Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, any of the Selling Shareholders and their respective affiliates from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/99267 dated January 2, 2017 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated December 27, 2016, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal

purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or constructed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at the Corporate Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 have been delivered for registration to the RoC, and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration with the RoC.

The office of the RoC is situated at:

Registrar of Companies, NCT of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019
India

Listing

The Equity Shares issued through this Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Initial listing applications have been made to the Stock Exchanges for obtaining permission for listing of Equity Shares being sold in the Offer. The BSE Limited will be the Designated Stock Exchange with which the 'Basis of Allotment' will be finalised.

If permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company will forthwith repay, all moneys received from the applicants in pursuance of this Red Herring Prospectus, required by applicable laws. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest as prescribed under applicable laws.

Our Company, and the Promoter Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges, as may be required, are taken within 6 (six) Working Days of the Bid/Offer Closing Date. The Investor Selling Shareholder shall provide assistance to the Company and the BRLMs, as may be reasonably required and necessary as a Selling Shareholder in accordance with applicable law, in relation to the Equity Shares offered by it in the Offer for Sale. If our Company does not Allot Equity Shares pursuant to the Offer within 6 (six) Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

All expenses in relation to the Offer will be shared among our Company and the Selling Shareholders as mutually agreed and in accordance with applicable law. In this regard, it is clarified that the Investor Selling

Sharheolder shall not be liable to pay interest for any delay, unless such delay has been caused solely by such Investor Selling Shareholder in relation to their respective proportion of the Offered Shares.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"***Any person who:***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

Consents

Consents in writing of the Selling Shareholders, the Directors, our Company Secretary and Compliance Officer, Chief Financial Officer, the Bankers/lenders to our Company, the BRLMs and Syndicate Member, Escrow Collection Bank, Public Offer Bank, Refund Bank, Registrar to the Offer, Legal Counsel to our Company, Legal Counsel to the BRLMs as to Indian Law, Legal Counsel to the BRLMs as to international law, to act in their respective capacities, will be obtained and shall be filed along with a copy of this Red Herring Prospectus with the RoC, as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination report dated March 27, 2017 on our Restated Financial Statements and their report dated November 30, 2016 on the '***Statement of Tax Benefits***' included in this Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under U.S. Securities Act. In addition, B. Chhawcharria, Chartered Accountants has provided written consent dated March 29, 2017, to be named as "expert" in this Red Herring Prospectus in respect of its report dated March 29, 2017 and the contents or any extracts thereof being included and/or reproduced in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under U.S. Securities Act.

Our Company has received written consent from Technopak Advisors Private Limited dated December 6, 2016, to include its name as expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report dated December 7, 2016 titled "Technopak Research Report".

Our Company has received written consent from Nielsen (India) Private Limited dated December 12, 2016, to include its name as expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the report dated December 2016 titled "The Indian Educational Publishing Industry".

Our Company has received written consent from Deepak Seth Talwar, Chartered Engineer, dated December 6, 2016 to include his name as an expert pursuant to the provisions of the Companies Act, 2013 in this Red Herring

Prospecuts in relation to the printing and daily production capacity of our printing facilities at Sahibabad and Rudrapur.

Offer Expenses

All expenses in relation to the Offer will be shared among our Company and the Selling Shareholders as mutually agreed and in accordance with applicable law. For further details of Offer expenses, see "***Objects of the Offer***" on page 100.

Fees, Brokerage and Selling Commission Payable to the Designated Intermediaries

The total fees payable to the BRLMs and the Designated Intermediaries (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the engagement letters among our Company, Selling Shareholders and the BRLMs and the Syndicate Agreement, copies of which shall be made available for inspection at the Registered Office from 10:00 am to 4:00 pm on Working days from the date of filing of this Red Herring Prospectus with the RoC until the Bid/Offer Closing Date.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated December 12, 2016 entered into, among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which is available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send such refund or Allotment Advice by registered post/speed post/ordinary post.

Previous public or rights issues during the last five years

Our Company has not made any previous public issue or any rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed under "***Capital Structure***" on page 82, our Company has not issued any securities for consideration other than cash.

Underwriting commission, brokerage and selling commission on previous issues

As this is an initial public offering of the Equity Shares, no sum has been paid or was payable as commission or brokerage for subscribing to or procuring, or agreeing to procure subscription from public for any of the Equity Shares of our Company since inception of our Company.

Capital issuances in the preceding three years

Except as disclosed in "***Capital Structure***" on page 82, our Company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus.

Details of public/ rights issues by listed Group Companies, Subsidiaries and Associate in the last three years

As on the date of this Red Herring Prospectus, none of our Group Companies, Subsidiaries or Associate is listed or has made any application for listing on any stock exchange in India or overseas.

Performance vis-à-vis objects

As on the date of this Red Herring Prospectus, our Company has not made any previous public issue or rights issue in the 10 (ten) years preceding the date of this Red Herring Prospectus.

Outstanding debentures or bond issues or preference shares or other instruments

Our Company does not have any outstanding debentures or bonds or redeemable preference shares or other instruments as of the date of this Red Herring Prospectus.

Partly Paid Up Shares

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares.

Stock Market Data of the Equity Shares

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange. Accordingly, no stock market data is available for the Equity Shares.

Other Disclosures

See "***Capital Structure***" for details relating to purchase or sale of securities of our Company by any of the Directors, Promoters and/or the members of the Promoter Group, during a period of six months immediately preceding the filing of the Draft Red Herring Prospectus.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records, including refund orders despatched to the Bidders, with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Investors may contact the BRLMs for any complaints pertaining to the Offer. All grievances other than those of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated

Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and the details of the ASBA Account.

Further, the investor shall also enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be 10 (ten) Working Days and appropriate steps shall be taken within 7 (seven) Working Days of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

There have been no investor grievances received by our Company since the three years immediately preceding the filing of the Draft Red Herring Prospectus.

As on date there are no investor complaints pending.

The Selling Shareholders have authorized the Compliance Officer and Registrar to the Offer to redress any complaints received from Bidders is respect of the Offer for Sale.

Our Company has constituted a Stakeholders' Relationship Committee, comprising three directors as members. For further details, see "***Our Management***" on page 189.

Our Company has appointed Mr. Jagdeep Singh as our Company Secretary and Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems. For his contact details, see "***General Information***" on page 72.

Disposal of investor grievances by listed Group Companies

As on the date of this Red Herring Prospectus, none of our Group Companies is listed on any stock exchange in India or has made any application for listing on any stock exchange in India or overseas.

Change in Statutory Auditors

There have been no changes in the statutory auditors of our Company during the three years preceding the date of this Red Herring Prospectus.

Capitalisation of Reserves or Profits

Except as disclosed in the section "***Capital Structure***" of this Red Herring Prospectus, our Company has not capitalised its reserves or profits at any time during the last five years preceding the date of this Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

TERMS OF THE OFFER

The Equity Shares being offered pursuant to the Offer are subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the CAN, the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, notifications and regulations relating to the issue and transfer of capital and listing of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, RBI, RoC, FIPB and/or other authorities, as in force on the date of the Offer and to the extent applicable, or such other conditions as may be prescribed by SEBI, RBI and/or any other regulatory authority while granting its approval for the Offer.

Ranking of Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of our Memorandum of Association and Articles of Association and the Companies Act and shall rank *pari passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Equity Shares under the Offer will be entitled to dividends and / or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "***Main Provisions of our Articles of Association***" on page 551.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to the shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association and the Listing Regulations. For further details, see "***Dividend Policy***" and "***Main Provisions of our Articles of Association***" on pages 206 and 551, respectively.

Face value and Offer Price

The Equity Shares with a face value of ₹ 5 each shall be transferred in terms of this Red Herring Prospectus at an Offer Price of ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs. These will be published by our Company at least five Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, in Financial Express, an English national daily newspaper and Jansatta, a Hindi national daily newspaper (Hindi also being the regional language of Delhi where our Registered Office is located), each with wide circulation. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges' websites.

Compliance with the disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- right to receive dividend, if declared;
- right to attend general meetings and exercise voting powers, unless prohibited by law;
- right to vote on a poll either in person or by proxy or 'e-voting';

- right to receive offers for rights shares and be allotted bonus shares, if announced;

- right to receive surplus on liquidation subject to any statutory and preferential claims being satisfied;

- right of free transferability, subject to applicable laws; and

- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Regulations, and our Memorandum and Articles of Association.

For further details on the main provisions of our Company's Articles of Association including those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see "***Main Provisions of our Articles of Association***" on page 551.

Market lot and trading lot

As per the applicable laws, the trading of our Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. In this context, our Company and the Registrar to the Offer have entered into agreements dated April 9, 2012 and July 18, 2016 with NSDL and CDSL, respectively. Allotment in the Offer will be done only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to successful Bidders.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form

Further, any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require a change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, severally and not jointly, in consultation with the BRLMs, reserve the right not to proceed with the Offer and/or any portion of the Offer for Sale, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company and the Selling Shareholders in consultation with the BRLMs decide not to proceed with the Offer at all, our Company shall issue a public notice in the newspapers in which the pre- Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons such decision. In the event, the BRLMs, through the Registrar to the Offer, shall instruct the SCSBs to unblock the bank accounts of ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/ Offer Programme

BID/ OFFER OPENS ON	**April 26, 2017[(1)]**
BID/ OFFER CLOSES ON	**April 28, 2017**

[(1)] Our Company and the Selling Shareholders, may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	April 28, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about May 4, 2017
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about May 5, 2017
Credit of Equity Shares to demat accounts of Allottees	On or about May 8, 2017
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about May 9, 2017

The above timetable, other than the Bid/ Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

While our Company and the Promoter Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date with the support and cooperation of the Investor Selling Shareholder, as required, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders, severally and not jointly, confirm that they shall extend reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each such Selling Shareholders in the Offer for Sale) at all Stock Exchanges within six Working Days from the Bid/ Offer Closing Date.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard

	Time ("**IST**")
Bid/ Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/ Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public holiday). Our Company or any of the Selling Shareholders or the members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the electronic book will be considered final.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the other members of the Syndicate. However, in case of revision in Price Band, the Bid Lot shall remain the same.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Offer equivalent to at least 25% post-Offer paid up Equity Share capital of our Company, including devolvement of Underwriters, if any, within 60 days from the date of Bid/ Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable laws. The requirement for minimum subscription is not applicable to the Offer for Sale. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority:

(i) through the sale of all the Equity Shares being offered by the Investor Selling Shareholder in the Offer;

(ii) through the issuance of balance part of the Fresh Issue;

(iii) through the sale of the Equity Shares being offered by the Promoter Selling Shareholders in proportion to the number of Equity Shares being offered by each Promoter Selling Shareholder; and

(iv) through the sale of the Equity Shares being offered by the Other Selling Shareholders in proportion to the number of Equity Shares being offered by each Other Selling Shareholder.

Further, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to interest for delays for the Equity Shares being offered in the Offer will be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by the Selling Shareholders in the Offer. For the avoidance of doubt, subject to applicable laws, a Selling Shareholder will not be responsible to pay interest for any delay except to the extent such delay has been caused solely by such Selling Shareholder.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialized form only, the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, minimum Promoters' contribution, Anchor Investor lock-in, pursuant to the Offer as detailed in "***Capital Structure***" on page 82 and except as provided in "***Main Provisions of our Articles of Association***" on page 551, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Associations.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] Equity Share, aggregating to ₹ [●] million consisting of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 3,250 million and an Offer for Sale of up to 6,023,236 Equity Shares aggregating up to ₹ [●] million, consisting of the offer of up to 440,298 Equity Shares by Mr. Himanshu Gupta, up to 274,591 Equity Shares by Mr. Dinesh Kumar Jhunjhnuwala, up to 240,018 Equity Shares by Ms. Neerja Jhunjhnuwala, up to 74,841 Equity Shares by Ms. Nirmala Gupta, up to 93,682 Equity Shares by Ms. Savita Gupta, up to 70,270 Equity Shares by Ms. Ankita Gupta, up to 14,800 Equity Shares by Mr. Gaurav Kumar Jhunjhnuwala and up to 4,814,736 Equity Shares by Everstone in accordance with and pursuant to Section 28 of the Companies Act, 2013 and the terms of this Red Herring Prospectus to be filed with the RoC. The Offer shall constitute [●]% of the fully diluted post-Offer paid-up equity share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs	Non-Institutional Investors	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation*(1)	[●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer Size available for Allotment/ allocation	50% of the Offer size shall be available for allocation to QIBs. However, 5% of the QIB Category, excluding the Anchor Investor Portion, will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation portion will also be eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to QIBs.	Not less than 15% of the Offer or Offer less allocation to QIBs and RIIs	Not less than 35% of the Offer or the Offer less allocation to QIBs and NIIs
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for allocation to	Proportionate	Proportionate, subject to minimum Bid Lot. For details see, "***Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIIs***" on page 540

Particulars	QIBs	Non-Institutional Investors	Retail Individual Bidders
	Mutual Funds only.		
Mode of Bidding	Through ASBA process only (other than Anchor Investors)	Through ASBA process only	Through ASBA process only
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹ 200,000 net of retail discount, if any
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[(2)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs including FIIs who have been registered pursuant to the FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the FPI Regulations other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids to the BRLMs.[(3)] ***In case of all other Bidders***: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form.		

**Assuming full subscription in the Offer.*

(1) *In terms of Rule 19(2)(b)(i) of the SCRR, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis at the Anchor Investor Offer Price, out of which at least one-third shall be reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. Such number of Equity Shares representing 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price.*

(2) *In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(3) *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. The balance, if any, shall be paid within the Anchor Investor pay-in date. For details of terms of payment applicable to Anchor Investors, see "**Allotment Procedure and Basis of Allotment**" on page 540.*

Under subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("**General Information Document**") included below under the sub-section titled "– Part B - General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect enactments and regulations and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016. Further, the General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act, 2013 to the extent applicable to public issues. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to the Offer.*

All Designated Intermediaries in relation to the Offer should ensure compliance with SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares. Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in applicable laws which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws or as specified in this Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations, of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation to all QIB Bidders (other than Anchor Investors) on a proportionate basis, including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of the NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date. For Anchor Investors, copies of the Anchor Investor Application Form and the abridged prospectus will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of a Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Anchor Investors	White
Non-Residents including Eligible NRIs, FIIs, their sub-accounts (other than a sub-accounts which are foreign corporates or foreign individuals under the QIB Category), FPI or FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue

**Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSBs, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or the Escrow Collection Bank.

Participation by Promoters, Promoter Group, the BRLMs and the Syndicate Member and persons related to the Promoters/Promoter Group/BRLMs

The BRLMs and the Syndicate Member shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Member may Bid for Equity Shares in this Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the non-resident forms should authorize their SCSBs to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorize their SCSBs to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs (including FIIs)

In terms of the FPI Regulations an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Offer in accordance witht Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the FPI Regulation.

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. Our Board and shareholders, by resolutions dated September 19, 2016 and November 10, 2016, respectively, have approved an increase in the aggregate limit for FPI investments to 100% of the paid-up equity share capital of the Company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residetns (blue in colour).

Bids by SEBI registered VCFs, AIFs and FVCIs

The FVCI Regulations and the AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commissions.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form failing which, our Company reserves the right to reject any Bid by a banking company without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy, or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable laws and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any such Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 ("**IRDA Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing which, our Company and the Selling Shareholders reserve the right to reject any such Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

General Instructions

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable laws, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centres within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement in the form of a counter-foil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
14. Ensure that the category and the investor status is indicated;
15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
17. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database; and
18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account;
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
9. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable laws or your relevant constitutional documents or otherwise;
10. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per Demographic Details provided by the depository);
11. Do not Bid/ revise Bid Amount to less than the Floor Price or higher than the Cap Price;
12. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus; and
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under the applicable law or your relevant constitutional documents or otherwise.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and the Selling Shareholders in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "Escrow Account – S CHAND IPO - Anchor Investor - R"; and

(b) In case of Non-Resident Anchor Investors: "Escrow Account – S CHAND IPO - Anchor Investor - NR"

Undertakings by our Company

Our Company undertakes the following:

- That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/ Offer Closing Date;
- That in case of Anchor Investors where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Bid/ Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That except any allotment of Equity Shares pursuant to ESOP 2012, no further issue of Equity Shares shall be made until the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, undersubscription etc.;
- That if our Company does not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre- Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That if our Company withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company subsequently decides to proceed with the Offer;
- That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- That adequate arrangements shall be made to collect all Bid cum Application Forms;
- That our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received; and
- That the Allotment Advice will be issued or the application money will be refunded/unblocked within such time as specified by the SEBI, failing which interest will be paid to the Bidders at the rate prescribed under applicable laws for the delayed period.

Undertakings by the Promoter Selling Shareholders

Each of the Promoter Selling Shareholders, severally and not jointly, undertakes the following:

- That they are the legal and beneficial owners of their respective proportion of the Offered Shares;
- That their respective Offered Shares (a) have been held by them for a minimum period as specified in Regulation 26(6) of the SEBI ICDR Regulations; and (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialized form at the time of transfer;
- That they shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;
- That they shall provide all reasonable cooperation as requested by our Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the requisite extent of the Equity Shares in case of Anchor Investors, offered by them pursuant to the Offer;
- That they shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Managers in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;
- That they shall not further transfer Equity Shares during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted and Equity Shares to be Allotted pursuant to the Offer;

- That they shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer for Sale are available for transfer in the Offer for Sale, free and clear of any encumbrance, within the timelines specified under applicable laws; and
- That they have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective proportion of Equity Shares offered as part of the Offer for Sale and they shall extend reasonable cooperation to our Company and BRLMs in the regard.

Undertakings by the Other Selling Shareholders

Each of the Other Selling Shareholders, severally and not jointly, undertakes the following:

- That they are the legal and beneficial owners of their respective proportion of the Offered Shares;
- That their respective Offered Shares (a) have been held by them for a minimum period as specified in Regulation 26(6) of the SEBI ICDR Regulations; and (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialized form at the time of transfer;
- That they shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;
- That they shall provide all reasonable cooperation as requested by our Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the requisite extent of the Equity Shares in case of Anchor Investors, offered by them pursuant to the Offer;
- That they shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Managers in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;
- That they shall not further transfer Equity Shares during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted and Equity Shares to be Allotted pursuant to the Offer;
- That they shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer for Sale are available for transfer in the Offer for Sale, free and clear of any encumbrance, within the timelines specified under applicable laws; and
- That they have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective proportion of Equity Shares offered as part of the Offer for Sale and they shall extend reasonable cooperation to our Company and BRLMs in the regard.

Undertakings by the Investor Selling Shareholder

The Investor Selling Shareholder undertakes the following:

- That it is the legal and beneficial owner of its respective proportion of the Offered Shares;
- That the respective portion of Offered Shares (a) have been held by it for a minimum period as specified in Regulation 26(6) of the SEBI Regulations; and (b) shall be in dematerialized form at the time of transfer;
- That it shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;
- That it shall extend reasonable support and cooperation to the Company and BRLMs, as may be required in relation to, and to the extent of, facilitating the process of listing on the Stock Exchanges of its respective proportion of Offered Shares, in accordance with applicable law;
- That it shall not further transfer Equity Shares during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the Allotment, except with the prior approval of the BRLMs;
- That it shall take all such steps as may be reasonably required to ensure that its respective proportion of the Offered Shares is available for transfer to successful Bidders in the Offer for Sale, free and clear of any encumbrance; and
- That it has authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of its respective proportion of Offered Shares.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, will be taken by our Company and the Selling Shareholders, in consultation with the BRLMs.

Utilisation of Offer Proceeds

The Board of Directors certify that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- details of all unutilised monies out of the Fresh Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

PART B

General Information Document for Investing in Public Offers

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read this Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**SEBI Regulations**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in this Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants see "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer. Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter alia* required to comply with the eligibility requirements in terms of Regulation 26/Regulation 27 of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts

(Regulation) Rules, 1957 (the "**SCRR**"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI Regulations, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

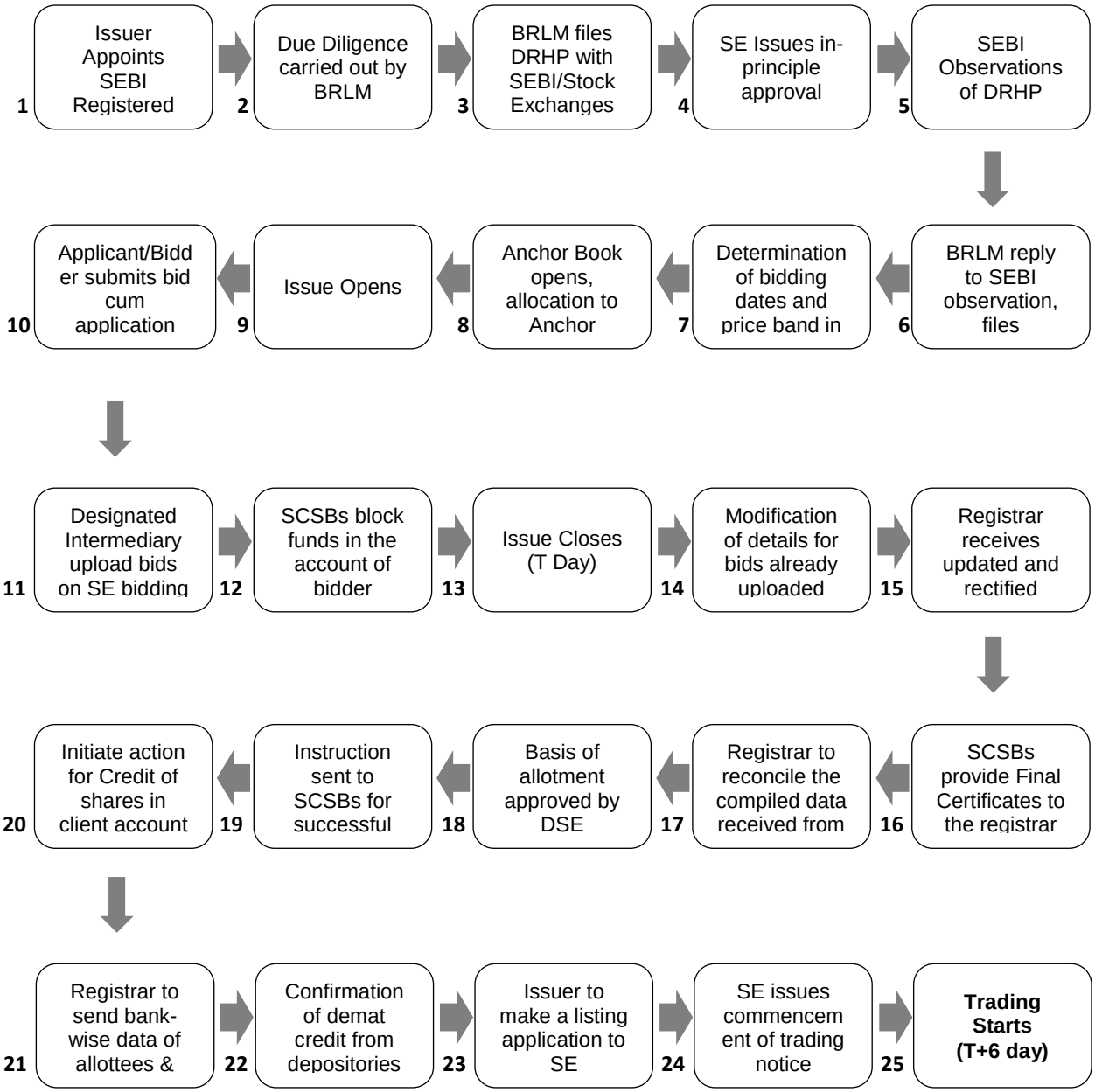
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

    i. Step 7 : Determination of Issue Date and Price

    ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries and Anchor Investor Application Forms with BRLMs.


1 Issuer Appoints SEBI Registered
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files
7 Determination of bidding dates and price band in
8 Anchor Book opens, allocation to Anchor
9 Issue Opens
10 Applicant/Bidder submits bid cum application
11 Designated Intermediary upload bids on SE bidding
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded
15 Registrar receives updated and rectified
16 SCSBs provide Final Certificates to the registrar
17 Registrar to reconcile the compiled data received from
18 Basis of allotment approved by DSE
19 Instruction sent to SCSBs for successful
20 Initiate action for Credit of shares in client account
21 Registrar to send bank-wise data of allottees &
22 Confirmation of demat credit from depositories
23 Issuer to make a listing application to SE
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders, such as NRIs, FIIs, FPIs, and FVCIs may not be allowed to Bid in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category (subject to Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014);
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investor ("**NIIs**") category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Scientific and/or industrial research organisations authorized in India to invest in Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified ASBA Form (or in case of Anchor Investor, the Anchor Investor Application Form) bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated SCSB Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities Issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

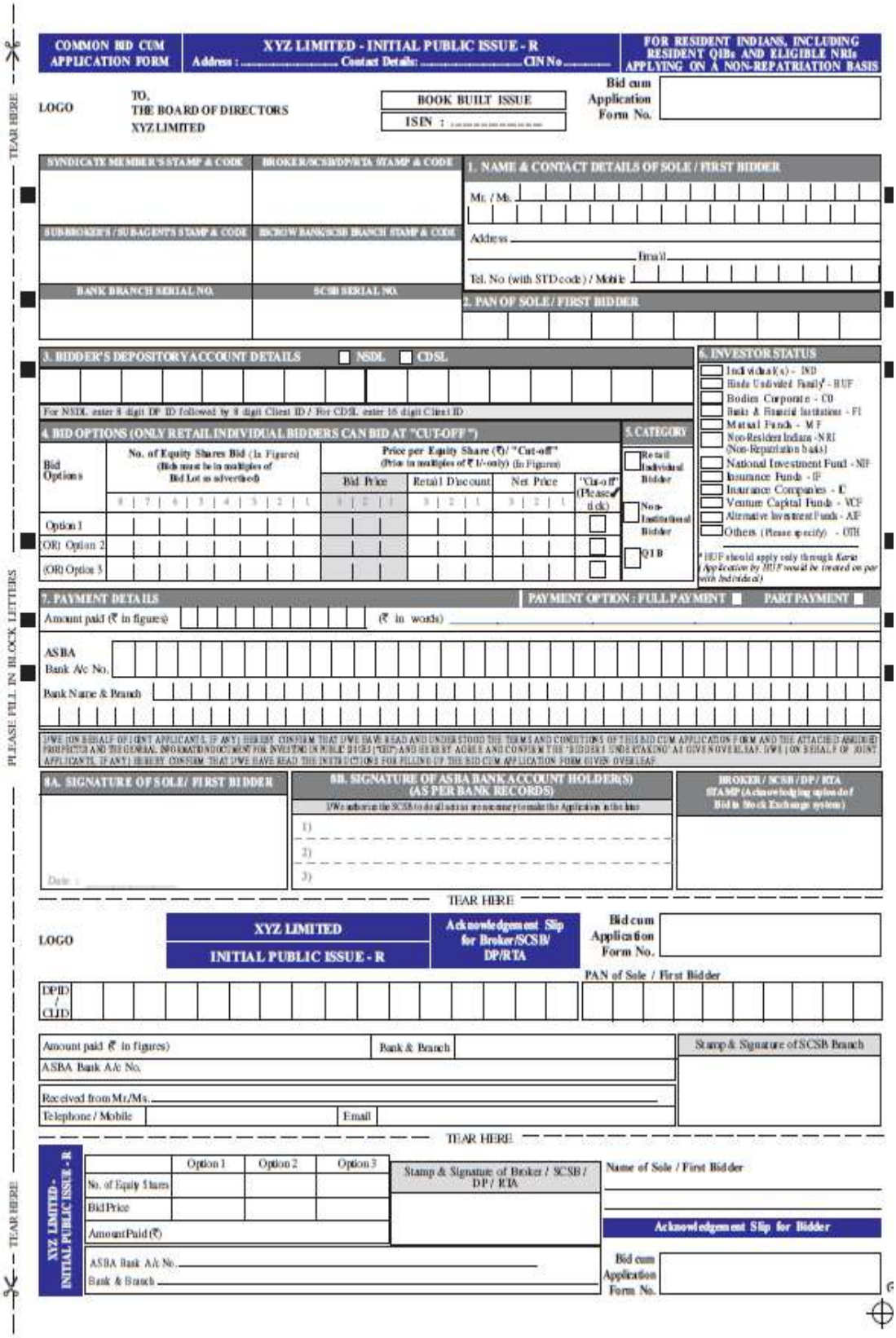
4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form for Residents



COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ..... Contact Details: ..... CIN No .....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB AGENT'S STAMP & CODE

RECEIVING BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

6. INVESTOR STATUS

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - MF
- ☐ Non-Resident Indians - NRI (Non-Repatriation basis)
- ☐ National Investment Fund - NIF
- ☐ Insurance Funds - IF
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VCF
- ☐ Alternative Investment Funds - AIF
- ☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

5. CATEGORY

- ☐ Retail Individual Bidder
- ☐ Non-Institutional Bidder
- ☐ QIB

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)

Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

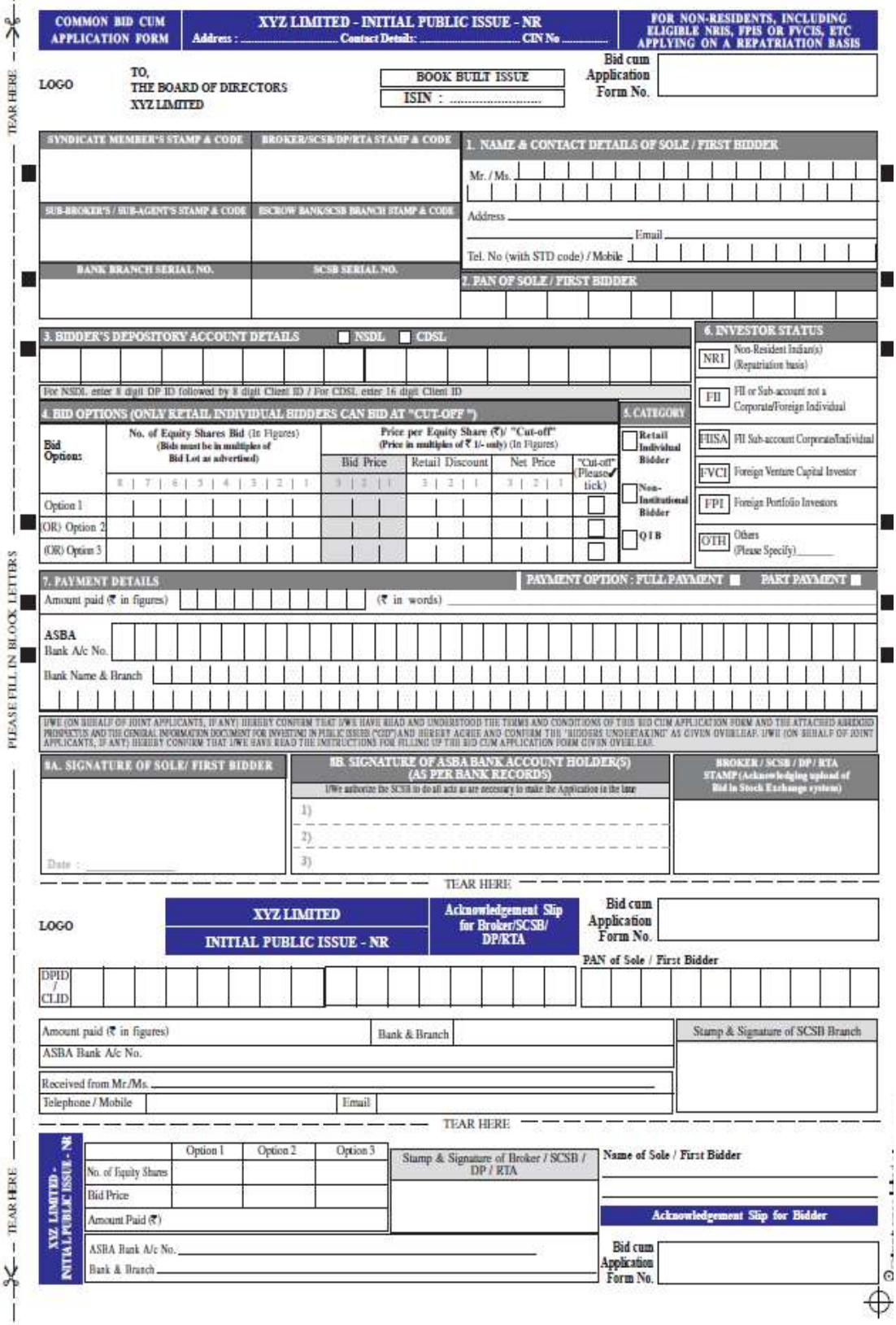
ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

Application Form for Non-Residents



COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR
Address : ..... Contact Details: ..... CIN No .....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL: enter 8 digit DP ID followed by 8 digit Client ID / For CDSL: enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

NRI Non-Resident Indian(s) (Repatriation basis)

FII FII or Sub-account not a Corporate/Foreign Individual

FIISA FII Sub-account Corporate/Individual

FVCI Foreign Venture Capital Investor

FPI Foreign Portfolio Investors

OTH Others (Please Specify)_____

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/We (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THIS BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the box

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Impersonation: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"***Any person who:***

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(d) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids/ Applications by Bidders/ Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/ Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/ Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

(c) Bidders/ Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form Application Form, the Bidder/ Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice or unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/ Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to (Section 5.6 (e)).

(c) **Cut-Off Price**: Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares

at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

(b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be at least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of

the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

(b) Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(c) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(d) The following Bids may not be treated as multiple Bids:

(i) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(ii) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iii) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

(iv) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.

(b) Up to 60 % of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with the SEBI Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI Regulations. For details of any reservations made in the Issue, Bidders may refer to the RHP/Prospectus.

(d) The SEBI Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs, and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based in the ASBA Account on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders/Applicants who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) who have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for ASBA Bidders

a) Bidders may submit the ASBA Form either:

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the ASBA Form, or

ii. in physical mode to any Designated Intermediary.

b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

g) Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

h) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

i) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

j) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

k) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

l) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the stock exchange platform and such bids are liable to be rejected.

m) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

n) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

o) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder other than Anchor Investors to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account of the ASBA Bidders.

c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.3 Discount (if applicable)

a) The Discount is stated in absolute rupee terms.

b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).

d) Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid

cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

(c) The following details (as applicable) should be quoted while making any queries -

- full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
- name and address of the Designated Intermediary, where the Bid was submitted;
- In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
- In case of Anchor Investor bids, the unique transaction reference (UTR) number and the name of the relevant bank thereof.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

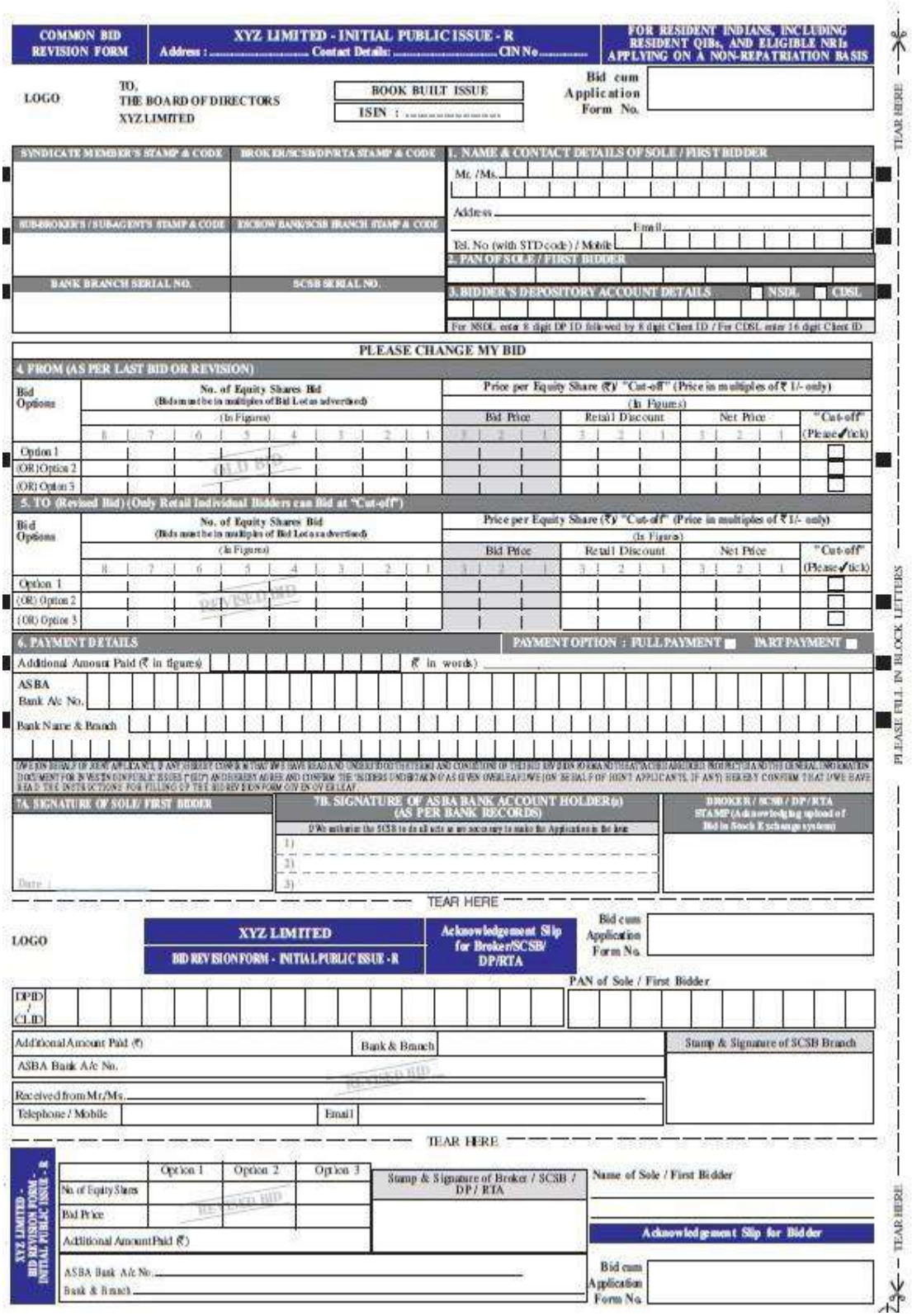
(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/ Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ..... Contact Details: ..... CIN No .....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ...

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUBAGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. /Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (IN BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM & ACKNOWLEDGE THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID REVISION FORM AND ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND AGREE AND CONFIRM THE UNDERTAKINGS AS GIVEN OVERLEAF (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DP ID / CL ID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/ APPLICANTS, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, and RIIs who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Bidders/ Applicants are required to authorize that the full Bid Amount (less Discount (if applicable) is blocked at the time of submitting the Bid Revision Form. In case of Bidders/ Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/ Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/ Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (*i.e.*, original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/ Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible may be adjusted downwards for the purpose of Allotment, such that additional

amount is required to be blocked and the Bidder/ Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

(a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

(a) All Applicants (other than Anchor Investors) are required to only make use of ASBA for applying in the Issue.

(b) Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants:

Applicants should refer to instructions contained in paragraph 4.1.7.2.

4.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraph 4.1.7.2.1.

4.3.5.3 Discount (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.3.

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4.1 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM

Bidders/ Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Bid cum Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicants had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicants will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of the SEBI Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders/ Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediary are given up to till 1 p.m. on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Managers at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including providing instructions for unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on, upon or after finalisation of basis of allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediaries,

ii. the Bids uploaded by the Designated Intermediaries,

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLMs and their affiliate Syndicate Member, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Member (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter alia, on the following grounds, which have been detailed at various placed in this GID:-

a) Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

b) Bids/Applications by OCBs;

c) In case of partnership firms, Bid for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

d) DP ID & Client ID not mentioned in the Bid cum Application Form;

e) In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum Application Form;

f) Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

g) Bids by any person outside India if not in compliance with applicable foreign and Indian laws;

h) PAN not mentioned in the Bid cum Application Form except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

k) Bids at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

l) Bids at Cut-off Price by NIIs and QIBs;

m) The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;

n) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

o) Submission of more than five Bid cum Application Forms through a single ASBA Account;

p) Bids/Applications for number of Equity Shares which are not in multiples as specified in the RHP;

q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

s) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;

t) Bids not uploaded in the Stock Exchanges bidding system;

u) Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;

v) Where no confirmation is received from SCSB for blocking of funds;

w) Bids by Bidders (other than Anchor Investors) not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);

x) Bids submitted to a BRLM at locations other than the Specified Locations and Bid cum Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

y) Bids not uploaded on in the Stock Exchanges bidding system; and

z) Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Managers and the Designated Stock Exchange and in accordance with the SEBI Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the Book Running Lead Managers, may finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above the issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with

the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated SCSB Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("**ASBA Account**"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty percent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the

balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders may refer to the SEBI Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

2. In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹

2,500 million subject to minimum Allotment of ₹ 50 million per such Anchor Investor; and

- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof, subject to minimum Allotment of ₹ 50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Issue

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Issue Price**: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, and within six Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/ Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of Bid/Issue Closing Date and repay without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and the Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI Regulations comes for an Issue under Regulation 26(2) of SEBI Regulations but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors**: Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH**—National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**— Anchor Investors having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

(d) **Direct Credit**— Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account.

Please note that refunds through the above mentioned modes, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner or instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an ASBA Bidder as proof of registration of the ASBA Bid
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Fresh Issue and/or transfer of Equity Shares pursuant to the Offer for Sale to successful Bidders

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchange
Allottee	An Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations and this Red Herring Prospectus
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the Book Running Lead Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder
ASBA Bidder	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	Basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid /Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI Regulations. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder should be construed to mean an Bidder
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under the SEBI Regulations, in terms of which the Issue is being made

Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated SCSB Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate Member, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders in accordance with the SEBI Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under the SEBI Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details Bidder may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer

Term	Description
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques, demand drafts or transfer money through NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under the SEBI Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to the Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price. The Issue Price may be decided by the Issuer in consultation with the Managers
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs, FIIs including sub accounts of FIIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders

Term	Description
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under the SEBI Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	This red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders as provided under the SEBI Regulations
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Term	Description
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries updated from time to time
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Member
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	"Working Day", with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

SECTION VIII: MAIN PROVISIONS OF OUR ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall be applicable. However, Part B shall automatically terminate and cease to have any force and effect from the date of listing of shares of the Company on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, without any further corporate action by the Company or by the shareholders.

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

PART A

PUBLIC COMPANY

4. The Company is a public company within the meaning of Section 2(71) of the Act and accordingly:

(a) Is not a private company;

(b) Has a minimum paid-up share capital as per Law;

(c) Has minimum of seven (7) members. Also, where two (2) or more persons hold one (1) or more shares in the Company jointly, they shall, for purposes of this provision, be treated as a single Member; and

SHARE CAPITAL

5. The authorized share capital of the Company is as mentioned in Clause V of memorandum of association of the Company with power of the Board, to sub-divide, consolidate and increase and with power from time to time, issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be, thought fit, and upon the sub-division of shares apportion the rights to participate in profits in any manner as between the shares resulting from sub-division and the minimum paid up capital of the Company as prescribed as per Law.

6. The Share Capital of the Company may be classified into Equity Shares with differential rights as to Dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

7. All Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to Dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

8. The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in relation to the formation of the Company, or for any acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly Paid up shares and if so issued shall be deemed as fully/partly Paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

9. The amount payable on application on each share shall not be less than 5% (five percent) of the nominal value of the share or, as may be specified by SEBI.

10. Nothing herein contained shall prevent the Directors from issuing fully Paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company, subject to Law.

11. Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

12. All of the provisions of these Articles shall apply to the Shareholders.

13. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

14. The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

15. Subject to the terms of these Articles, the Company in a general meeting upon the recommendation of the Board may consider offering shares of the Company to its employees including whole-time functional Directors under employees stock option plan or directly or through a committee, appointed by the Board. The allotment of such shares under this plan shall be in terms of the extant provisions in the Act, rules, regulations and guidelines of all the applicable statutes, from time to time.

16. The issue of certificates of shares or of duplicate or renewal of certificates of shares shall be governed in accordance with Article 24 of these Articles. The directors may also comply with the provisions of such rules or regulations of any depository with which shares of the Company are being dematerialized and with any of such stock exchange with which the Company gets listed at any point of time.

17. The Board may, in accordance of Article 31 of these Articles, from time to time, with the sanction of the Company in General Meeting by Ordinary Resolution increase the share capital of the Company by such sum to be Divided into shares of such amount and of such classes with such rights and privileges attached thereto as the General Meeting shall direct by specifying the same in the resolution and if no directions be given, as the Board may determine.

18. The Company may by Ordinary Resolution:

(a) Consolidate and divide all or any of its share capital into shares on larger amount than its existing shares:

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

(b) Subdivide its existing shares or any of them into shares of similar amount than is fixed by the Memorandum so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share is derived subject nevertheless to the provisions of Section 61 of the Act; and

(c) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of share capital within the meaning of the Act.

19. The Company may, in accordance of Article 31 of these Articles, reduce in any manner, from time to time, by special resolution:

(a) Its share capital; and

(b) Any capital redemption reserve fund or any share premium account.

SECURITIES

20. The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Securities on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

SHARES AT THE DISPOSAL OF THE DIRECTORS

23. (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium, at par or at a discount (subject to compliance with Section 53 and Section 54 of the Act) at such time as they may, from time to time, think fit and with the sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares of the Company either at par or premium during such time and for such consideration as the Board thinks fit and may issue and allot shares of the Company in the capital of the Company on payment in full or part of any property sold and transferred or for any, services rendered to the Company in the conduct of its business and any shares of the Company which may be so allotted may be issued as fully Paid up shares of the Company and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call of shares of the Company shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with the applicable provisions of the Act and the Rules:

(i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount Paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupees twenty (20).

(ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall

complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 23(d)(i) above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holder shall be sufficient delivery to all such holders.

(iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

SHARE WARRANTS

25. The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(a) (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited share warrant.

(ii) Not more than one person shall be recognised as depositor of the share warrant.

(iii) The Company may, on 2 (two) days' written notice, return the deposited share warrant to the depositor.

(b) (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.

(ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the Shareholder included in the warrant, and he shall be a Shareholder of the Company.

(c) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

(d) The provisions contained under this Article shall cease to have effect post the notification of section 465 of the Act which shall repeal the provisions of Companies Act, 1956.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

26. (a) The Company in a General Meeting may, by Ordinary Resolution, convert any Paid up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal amount from which the stock arose.

(b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

CALLS

27. (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call of such shares as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The joint holders of a share shall be jointly and severally liable to pay all installments and calls due in respect thereof.

(d) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(e) **Restriction on Power to make calls and notice**:

No call shall exceed one-half of the nominal amount of share, or be made payable within 30 days' after the last preceding call was payable. Not less than 30 days', notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

(i) If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall-have been made or the installment shall be due, shall pay interest for the same at the rate of 12 percent interest per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

(f) **Amount payable at fixed times or payable by installments as calls**:

If by the terms of issue of any share or otherwise any amount is made payable upon allotment or at any fixed time, or by investments at fixed time or whether on account of the amount of the share or by way

of premium, every such amount or installment, shall be payable as if it were a call duly made by the Board end of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to amount or installment accordingly.

(g) **Evidence in action by Company against shareholders**:

On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(h) **Payment of call in advance**:

The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(a) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable

(b) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

(c) **Revocation of calls**:

A call may be revoked or postponed at the discretion of the Board.

FORFEITURE

28. (a) **If call or Installment not paid notice may be given**

(i) If any Shareholder fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid serve a notice on such Shareholder requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company for the reason of such nonpayment.

(ii) The notice shall name a day (not being less than 14 days from the date of notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of nonpayment at or before the time and at the place appointed the shares in respect of which such call was made or installments is

payable will be liable to be forfeited. If notice is not complied with shares in respect of which such notice was given may be forfeited.

(iii) If the requirements of any such notice as aforesaid, be not complied with any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect.

(b) **Notice after forfeiture**:

When any share shall have been so forfeited, notice of the resolution shall be given to the Shareholder in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice or to make such entry as aforesaid.

(c) **Forfeited share to become property of the Company**:

Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit and the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to any person or persons entitled thereto.

(d) **Power of annul forfeiture**:

The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

(e) **Liability on forfeiture**:

A person whose share has been forfeited shall cease to be a Shareholder in respect of the share forfeited but shall, notwithstanding remain liable to pay and shall forthwith pay to the Company all calls, or installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the date of forfeiture, until payment at 12 percent interest per annum and the Board may enforce the payment thereof, or any part thereof without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

(f) **Evidence of forfeiture**:

(i) A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

(g) **Forfeiture provisions to apply to non-payment in terms of Issue**:

The provisions of Article 28 hereof shall apply in the case of non- payment of any sum which by the terms of issue of a share, becomes payable at a fixed time whether on account of the nominal value of a share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

(h) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

Lien

29. (a) The Company shall have a first and paramount lien upon every share/debenture not being a fully Paid up share/debenture registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called on payable at a fixed time in respect of such share/debenture whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share/debenture shall be created except upon the footing and condition that Article 29 hereof is to have fully effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures subject to Section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. Fully paid up shares/debentures shall be free from all lien.

(b) **As to enforcing lien by sale**:

For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it think fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell has been served on such Shareholder, his executor or administrators or his payment of the moneys called or payable at a fixed time in respect such shares for thirty days after the date of such notice.

(c) **Application of proceeds of sale:**

The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed, upon the shares before the sale) be paid to the person entitled to the share at the date of this sale.

(d) **Board may issue new certificate**:

Where any share under the power in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered upto the Company by the former holder of such share the Board may issue a new certificate for such share distinguishing in such manner as it may think fit from the certificate not so delivered up.

INCREASE AND REDUCTION OF CAPITAL

31. (a) **Increase of Capital**

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may increase its Share Capital by such amount as it thinks expedient.

(b) **Reduction of capital**:

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

(c) **Further issue of capital**

(i) Where at any time, the Company proposes to increase its subscribed capital by the allotment of further shares either out of the unissued capital or out of the increased Share Capital, such shares shall be offered—

A. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause a. above shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company; and

d. Nothing in sub-clause b of clause A of sub-article (i) above shall be deemed:

(i) to extend the time within which the offer should be accepted; or
(ii) to authorize any Person to exercise the right of renunciation for a second time, on the ground that the Person in whose favor the renunciation was first made has declined to take the shares comprised in the renunciation.

e. Nothing in this article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

(i) to convert such debentures or loans into shares in the Company; or
(ii) to subscribe for shares in the Company (whether such option is conferred in these articles or otherwise).

Provided that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf; and
(b) in the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

B. to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause A above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(ii) The notice referred to in sub-clause a. of clause A of sub-article (i) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(iii) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and other applicable provisions of the Act.

BORROWING POWERS

36. (a) **Power to borrow**

Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company provided that the Board shall not, without the sanction of the Company pursuant to a Special Resolution passed in a General Meeting borrow any sum of money which together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the Paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

(b) **Conditions on which money may be borrowed**:

The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the undertaking of the whole or any part of the Company (both present and future) but shall not create a charge on its capital for the time being without the sanction of the Company in the General Meeting.

(c) **Issue at discount or with special privileges**:

Subject to the provisions of Section 53 of the Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges to redemption, surrender, drawings, allotment of shares, appointment of Directors or otherwise.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board’s power or otherwise and shall be assignable if expressed so to be.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

GENERAL MEETING

37. (a) In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening

such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next Annual General Meeting. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

(b) **When Annual General Meeting to be held**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

(c) **Venue, Day and Time for holding Annual General Meeting**

(i) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

(ii) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

(d) **When extraordinary general meeting to be called**

(i) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(ii) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(iii) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(iv) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(v) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(vi) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(vii) The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

(e) **Circulation of Shareholders' resolution**:

The Company shall comply with the provisions of Section 111 of the Act as to giving notice of resolutions and circulating statements on the requisition of Shareholders.

(f) **Notice of meetings**

(i) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

a. every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent Shareholder of the Company,

b. Auditor or Auditors of the Company, and

c. all Directors.

(ii) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(iii) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(iv) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the Paid up share capital of that other company. All business transacted at any General Meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(v) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(vi) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

(vii) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(viii) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

DIRECTORS

39. The business of the Company shall be managed by the directors who may exercise all such powers of the Company as are not restricted by the Act or any statutory modification thereof for the time being in force or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless, to any regulations of these Articles, to the provisions if the Act, and to such regulations not being inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting. Nothing shall invalidate any prior act of the Directors which would have been valid if that regulation had been made.

Notwithstanding anything to the contrary contained in these Articles, the Board shall constitute a special committee with the name 'Subsidiaries and Joint Ventures Governance Committee' which shall take all decisions on matters relating to the Material Subsidiaries and joint venture companies of the Company on behalf of the Company as specifically set out in their respective articles of association, including all such matters that require the Company to vote in its capacity as a shareholder in such subsidiary or joint venture company, and on all such other matters which the board of directors of the Company may delegate, from time to time, to the 'Subsidiaries and Joint Ventures Governance Committee'. The Subsidiary and Joint Ventures Governance Committee shall have one Independent Director as its member and all decisions of the 'Subsidiaries and Joint Ventures Governance Committee' shall be taken by its members unanimously.

40. The number of Directors shall not be less than three (3) nor more than fifteen (15). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

(a) Notwithstanding anything to the contrary contained in Part A of these Articles, any Shareholder whose shareholding in the Company is seven and a half per cent (7.5%) or more of the total outstanding Equity Shares on a fully diluted basis, shall have the right to nominate one Director on the Board.

(b) Notwithstanding anything to the contrary contained in Part A of these Articles, any Shareholder whose shareholding in the Company is ten per cent (10%) or more of the total outstanding Equity Shares (on a fully diluted basis), shall have the right to nominate its respective nominee Director as a member on the 'Subsidiaries and Joint Venture Governance Committee' of the Board.

41. The Directors need not hold any qualification shares in the Company.

42. Subject to the provisions of the Act and the rules framed thereunder and as may be determined by the Board, each non-executive Director shall receive out of the Company by way of sitting fees for his services a sum not exceeding the sum prescribed under the Act or the central government from time to time for every meeting of the Board or Committee thereof attended by him.

43. The Director shall also be paid travelling and other expenses for attending and returning from meeting of the Board (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company.

44. The Directors may also be remunerated for any extra services done by them outside their ordinary duties as directors, subject to the provisions of Section 188 of the Act.

45. Subject to the provisions of the Act if any Director, being willing, shall be called upon to perform extra services for the purposes of the Company then, subject to Section 197 of the Act the Company shall remunerate such Director by such fixed sum or percentage of profits or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration provided above.

46. Subject to the provisions of Section 188 of the Act, the remuneration of Directors may be a fixed or a particular sum or a percentage sum or a percentage of the net profits or otherwise as may be fixed by the Board, from time to time.

47. Subject to the provisions of Sections 188 and 184 of the Act, no Directors shall be disqualified by his office from contracting with the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established but it is declared that the nature of his/her interest must be disclosed by him/her at the meeting of the Directors at which the contract is determined if his/her interest then exists or in any other case, at the first meeting of the directors after he/she acquires such interest.

48. Subject to Section 161 of the Act, any Director (hereinafter called the "Original Director") shall be entitled to nominate an alternate director (subject to such person being acceptable to the Chairman) (the "**Alternate Director**") to act for him during his absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director during the Original Director's absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

49. The Directors shall have the power, at any time and from time to time, to appoint any person as additional directors in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

50. The Company may, by Ordinary Resolution, of which special notice has been given in accordance with the provisions of Section 115 of the Act, remove any Director, if any, before the expiration of the period of his office, notwithstanding anything contained in these regulations or in any agreement between the Company and such Director. Such removal shall be without prejudice to any contract of service between him and the Company.

51. If a Director appointed by a Company in a General Meeting, vacates office as a Director before his term of office would expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any person so appointed shall retain his office so long only as the vacating director would have retained the same if vacancy had not occurred, provided that the Board may not fill such a casual vacancy by appointing thereto any person who has been removed from the office of director under Article 50.

52. Section 167 of the Act shall apply, regarding vacation of office by director. A director shall also be entitled to resign from the office of directors from such date as he may specify while so resigning.

53. (a) **Company in general meeting increase or reduce number of Directors**:

Subject to Article 40 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

(b) **Chairman of the Board of Directors**

The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

If for any reason the Chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

(c) **Independent Directors**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the Listing Regulations.

(d) **Equal Power to Director**

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

(e) **Nominee Directors**

(i) Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

(ii) The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

(iii) Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

(iv) Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

(v) The nominee director shall be entitled to receive all notices, agenda, minutes, etc., and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member.

(vi) If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

(f) **Director's fees, remuneration and expenses**:

(i) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

(ii) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

(g) **Vacation of Office of Director**:

Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall ipso facto be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

(ii) he applies to be adjudicated an insolvent; or

(iii) he is adjudged an insolvent; or

(iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or

(v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or

(vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or

(vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any

guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or

(viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

(ix) he acts in contravention of Section 184 of the Act; or

(x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or

(xi) he is removed in pursuance of Section 169 of the Act; or

(xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

CONTINUING DIRECTORS

54. The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose

POWERS OF THE BOARD

56. Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the Paid up capital of the Company and its free reserves.

RELATED PARTY TRANSACTIONS

57. (a) Except with the consent of the Audit Committee, Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its

Powers) Rules, 2014, the Company shall not enter into any contract or arrangement with a 'related party' with respect to:

(i) sale, purchase or supply of any goods or materials;

(ii) selling or otherwise disposing of, or buying, property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company:

(b) no Shareholder of the Company shall vote on such Ordinary Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

(c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

(d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

(e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(f) The term 'related party' shall have the same meaning as ascribed to it under the Act

(g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

APPOINTMENT OF DIRECTOR OF A COMPANY IN WHICH THE COMPANY IS INTERESTED:

58. A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

DISCLOSURE OF A DIRECTOR'S INTEREST

59. Every Director shall in accordance with the provisions of Section 184 of the Act and of the Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

60. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid up Share Capital in the other company or the Company as the case may be.

A general notice given to the Board by the Director, to the effect that he is a director or shareholder of a specified body corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the first meeting of the Board in the Financial Year in which it would have otherwise expired.

DISCUSSION AND VOTING BY INTERESTED DIRECTOR:

61. No Director shall, as a Director, take any part in the discussion of, or vote on any contract or arrangement in which he is in any way, whether directly or indirectly concerned or interested, nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote. This prohibition shall not apply to:

(a) Any contract of indemnity against any loss which the Director's or any of them may suffer by reason of becoming or being sureties or surety for the company: or

(b) Any contractor arrangement entered into or to be entered into by the Company with a public company, or with a private company, which is a subsidiary of a public company, in which the interest of the Director consists solely in his being a Director of such Company and the holder of shares not exceeding a number of value the amount requisite to qualify him for appointment as a director thereof, he having been nominated as such Director by the Company or in his being a Shareholder of the Company holding not more than two per cent of the Paid up share capital of the Company.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 60. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

ROTATION AND RETIREMENT OF DIRECTOR

62. (a) **Rotation of Directors**

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election.

(b) **Which Directors to retire**:

(i) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day those to retire shall, in default of or subject to any agreement among themselves, be determined by lot.

(ii) Save as permitted by Section 162 of the Act, every resolution of a General Meeting for the appointment of a Director shall relate to one name individually.

POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

78. The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(i) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;

(ii) to borrow money; and

(iii) any such other matter as may be prescribed under the Act, the Listing Regulations and other applicable provisions of Law.

MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

79. The Board may, from time to time, subject to the provisions of Sections 196 and 203 of the Act and of these Articles, appoint from time to time, a Managing Director or whole time director or executive director or manager of the Company for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such

appointment. His appointment will be automatically terminated if he ceases to be a director.

80. The Board, subject to Section 179 of the Act, may entrust to and confer upon a managing director or a whole time director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

81. The person so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally.

POWER OF ATTORNEY:

83. The Board may, at any time and from time to time, by Power-of-Attorney under Seal appoint any persons to be the Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may, from time to time, think fit; and any such appointments, may, if the Board thinks fit, be made in favour of the Shareholders, or in favour of the Company or of the Shareholders, directors, nominees, or officers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and any such Power-of-Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorney as the Board think fit.

SECRETARY

84. Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

85. The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

RESERVES

88. The Board may from time to time before recommending any Dividend set apart any such portion of the profit of the Company as it thinks fit as reserves to meet contingencies or for the liquidations of the debentures, debts or other liabilities of the Company, for equalization of Dividends for repairing, improving or maintaining any of the property of the Company and such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may subject to the provisions of Section 186 of the Act, invest the several sums so set aside upto such investments (other than shares of the Company) as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserve into such special funds as the Board thinks fit, with full power to employ the Reserve or any part thereof in the business of the Company and that without being bound to keep the same separate from other assets.

ISSUE OF BONUS SHARES

90. The Company in its General Meeting may resolve to issue the bonus shares to its shareholders subject to the applicable provisions of the Act and other laws as may be applicable in this behalf from time to time.

DECLARATION OF DIVIDENDS

92. (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid up or credited as Paid up and to the period during the year for which the Capital is Paid up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years,

(c) No Dividend shall be declared unless carried over previous losses and depreciation not provided in previous year are set off against profit of the company of the current year, the loss or depreciation, whichever is less, in previous years is set off against the profit of the company for the year for which dividend is declared or paid.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

(e) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated as Paid up for the purpose of this Article.

(iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(f) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(g) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(h) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(i) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(j) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(k) No unpaid Dividend shall bear interest as against the Company.

(l) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(m) The Company may pay dividends on shares in proportion to the amount Paid up on each Share in accordance with Section 51 of the Act.

BOOKS OF ACCOUNT TO BE KEPT

94. The Board shall cause proper books of account to be maintained under Section 128 of the Act.

95. Subject to the provisions of Section 207 of the Act the Board shall also, from time to time, determine whether and to what extent, and at what times and places, and at what conditions or regulations account books of the Company or any of them, are to be kept or shall be open to the inspection of Shareholders not being Directors.

96. Subject to the provisions of Section 207 of the Act no Shareholder (not being the director) or other person shall have any right of in inspecting any account book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

97. The Books of accounts shall be kept at the Office or at such other place in India as the Board may decide and when the Board so decides, the Company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

98. The Books of Account shall be open to inspection by any Director during business hours.

ACCOUNTS

99. (a) Balance sheet and profit and loss account of the Company will be audited once in a year by a qualified auditor for certification of correctness as per provisions of the Act.

(b) **Balance Sheet and Profit and Loss Account:**

At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provision of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of sections 134 of the Act so far as they are applicable to the Company but, save as aforesaid the Board shall not be found to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

(c) **Annual Report of Directors**:

There shall be attached to every Balance Sheet laid before the Company a report by the Board complying with Section 134 of the Act.

(d) **Copies to be sent to Shareholders and others**:

A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors Report and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by section 136 of the Act not less than twenty-one days before the meeting be sent to every such Shareholders, trustee and other person to whom the same is required to be sent by the said section.

(e) **Copies of Balance Sheet to be filed**:

The Company shall comply with Section 137 of the Act as to filing copies of the Balance Sheet and Profit and Loss Account and documents required to be annexed or attached thereto with the Registrar of Companies.

KEEPING OF REGISTERS AND INSPECTION

101. (a) **Registers, etc. to be maintained by the Company:**

The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

A Register of Member indicating separately for each class of Equity Shares held by each Shareholder residing in or outside India and a Register of any other security holders.

The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders or beneficial owners residing outside India.

The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

(b) **Supply of copies of Registers**:

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

(c) **Inspection of Registers**:

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines for inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten (10) per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

(d) **When Registers of Shareholders may be closed**:

The Company, after giving not less than seven days, previous notice by the advertisement in some newspapers circulating in the district in which the office is situated close the Register of Members for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at anyone time.

(e) **Reconstruction:**

On any sale of the undertaking of the Company the Board or the liquidators on a winding- up may, if authorized by a Special Resolution, accept fully paid or partly Paid up shares of any other Company,

whether incorporated in India or not, either than existing or to be formed for the purchase in whole or in part of the property of the Company and the Board (if the profits of the Company permit) or the liquidators (in winding-up) may distribute such shares or securities or any other property of the Company amongst the Shareholders without realisation, or vest the same in trustees for them and Special Resolution may provide for the distribution or appropriation of the cash shares or other securities benefit or property otherwise then in accordance with the strict legal right, of the contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 319 of the Act as are incapable of being varied or excluded by these Articles.

REGISTER OF CHARGES

102. The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

CHARGE OF UNCALLED CAPITAL

103. Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

104. (a) If the company shall be wound up , the Liquidator may, with the sanction of a Special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.

DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

105. Subject to the provision of section 197 of the Act, no Director, Manager, Officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgment or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

106. (a) The Shareholders shall vote for all the Equity Shares owned or held on record by such Shareholders at any Annual or extraordinary General Meeting of the Company in accordance with these Articles.

(b) The Shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(c) The Articles of the Company shall be amended only by way of a Special Resolution.

POWER OF THE DIRECTORS

108. Subject to the Section 179 of the Act hereof, the directors shall have the right to delegate any of their powers to such managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.

109. The directors shall have powers for the engagement and dismissal of managers, engineers, clerks, workers and assistants and shall have power of general direction, management and superintendence of the business of the Company with full powers to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company, and to make and sign all such contracts and to draw and accept on behalf of the Company all such bills of exchanges, hundies, cheques, drafts and other government papers and instruments that shall be necessary, proper or expedient, except only such of them as by the Act or by these presents are expressly directed to be exercised by shareholders in the general meeting.

SECRECY

110. Without prejudice to the rights of the Investors and the Investor directors, every manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when require to do so by the Directors or by any General Meeting or by the law of the country and except so far as may be necessary in order to comply with any of the provision in these presents and the provisions of the Act. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affair.

OPERATION OF BANK ACCOUNTS

111. The Board shall have the power to open bank accounts, to sign cheques on behalf of the Company and operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person to exercise such powers.

INDEMNITY

112. Subject to provisions of Section 197 of the Act, the Chairman, Directors, Auditors, Managing Directors and other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all bonafide suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or about the execution of their duties in their respective offices except those done through their wilful neglects or defaults of any other officer or trustee.

THE SEAL

113. (i) The Board shall provide for the safe custody of the seal of the Company.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence of at least two Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those two Directors and the Secretary or other aforesaid person shall sign every instrument to which the Seal of the Company is so affixed in his presence. The share certificate will, however, be signed and sealed in accordance with the Act

and the Companies (Share Capital and Debenture) Rules, 2014. Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any regularity touching the authority of the Board to issue the same.

BUYBACK OF SHARES

114. Subject to the provisions of Sections 68, 69 and 70 of the Act and subject to requirement of applicable buy-back regulations/rules made by central government/SEBI in this regard as may be modified from time to time, the Company may purchase its own Equity Shares or other Securities.

CANCELLATION OF FORFEITED SHARES

115. The Company may, by a resolution of the Board, decide not to reissue any forfeited shares in the Company. In such a case, the Board may cancel the forfeited shares, with or without canceling them from the authorised share capital, and transfer the amount received on such shares to appropriate account head. In case the Company decides to diminish the amount of Company's share capital by the nominal value of forfeited shares cancelled, it shall be done in accordance with the provisions of the Act as applicable.

CAPITALISATION OF PROFITS

116. (i) The Company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 116 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 116 (iii), either in or towards—

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b);

(iii) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(iv) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

117. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

(iii) Any agreement made under such authority shall be effective and binding on such members.

PART B

The provisions of this Part B have been inserted pursuant to the execution of the Shareholders Agreement.

In the event of any inconsistency between Part A and Part B of the Articles of Association, the provisions of Part B of the Articles of Association shall prevail over Part A. Part B of the Articles shall automatically terminate and cease to have any force and effect and shall be deemed to fall away on and from the date of listing and trading of the Equity Shares on a stock exchange in India, subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or its shareholders.

3. TRANSFER OF EQUITY SECURITIES

(a) Restriction on Transfer and Encumbrance of Equity Securities. So long as:

(i) Everstone has Ownership of at least 10% (ten percent) of the Share Capital, the Management Shareholders shall hold their entire direct and indirect interest in their Equity Securities and shall not directly or indirectly Transfer or attempt to Transfer any of their Equity Securities or any right, title or interest therein or thereto, except:

(A) as permitted under Article 3(d); and

(B) in accordance with Article 12 in a QIPO, Article 13 in a Demand QIPO, Article 15 in a Drag Exit or Article 17 in an Everstone Call Right.

(ii) IFC has Ownership of at least 5% (five percent) of the Share Capital, Mr. Himanshu Gupta, Mr. Dinesh Kumar Jhunjhnuwala and the Management Shareholders shall, at all times, hold and maintain an Ownership of 15% (fifteen percent), 10% (ten percent) and 51% (fifty one percent) respectively in the Share Capital of the Company, free from all Encumbrances ("**Share Retention Obligation**") and shall not directly or indirectly Transfer or attempt to Transfer any of their Equity Securities or any right, title or interest therein or thereto, except:

(A) as permitted under Article 3(d), and

(B) in accordance with Article 12 in a QIPO, Article 13 in a Demand QIPO, Article 15 in a Drag Exit, or Article 17 in a Everstone Call Right.

(iii) The Equity Securities issued pursuant to the ESOP Plan shall be held and Transferred in accordance with the ESOP Plan.

(b) Any Transfer or attempt to Transfer any Equity Securities by the Management Shareholders or a Shareholder holding Equity Securities pursuant to the ESOP Plan in violation of the preceding paragraph without the prior written Consent of the Investors shall be null and *void ab initio*, and the Company shall not register any such Transfer. It is clarified that restrictions on Transfer of Equity Securities under this Article 3 and other provisions of Part B of these Articles shall not be capable of being avoided by the Management Shareholders through any indirect means, including by transferring shares of or capitalizing or reorganizing any entity holding Equity Securities of the Company.

Provided, that the Management Shareholders shall be permitted to create Encumbrance over their Equity Securities solely for the purpose of securing Company's Indebtedness only with the prior written approval of each of the Investors. Other than as provided under the Shareholders Agreement, the Management Shareholders and/or the Company shall not be permitted to (a) create any Encumbrance on the shares/securities of the Subsidiaries, or (b) Transfer shares/securities of the Subsidiaries, such that the Company ceases to hold, directly or indirectly, more than 50% (fifty percent) of the equity share capital of a Subsidiary, or (c) cause the Subsidiaries to Transfer or create any Encumbrance on the securities held by such Subsidiaries in any other Person.

(c) Transfer Procedure. No Transfer of Equity Securities by the Management Shareholders shall be made unless the Transfer complies in all respects with all applicable provisions of Part B of these Articles and the applicable Laws.

(d) Permitted Transfers. Notwithstanding anything to the contrary contained in Article 3(a)(i) above, and provided however that such transferee (other than the Investors) executes a Deed of Adherence agreeing to abide by the terms and conditions of the Transaction Documents, the Management Shareholders shall be entitled to Transfer the Equity Securities held by them in accordance with the provisions of this Article 3(d):

(i) subject to the Share Retention Obligation, any Transfer by a Management Shareholder to another Management Shareholder belonging to the same Family to which the transferring Management Shareholder belongs. Upon such Transfer (including through succession or inheritance), the Management Shareholders transferring their Equity Securities under this Article 3(d)(i) and the transferee shall be jointly and severally responsible to comply with the duties, obligations and responsibilities as applicable to the Management Shareholders under Part B of these Articles;

(ii) subject to the Share Retention Obligation, any Transfer by the Management Shareholders of up to 5% (five percent) of their Equity Securities held as on the Effective Date, through Transfers in one or more tranches, to any Person who is not a Party to the Shareholders Agreement only for the purpose of liquidity and without creation of any rights in favour of such third party purchaser under Part B of these Articles, subject to the First Offer Right of the Investors in accordance with Article 4 (but shall not be subject to Tag Along Right of IFC under Article 6), provided that the Ownership of each Family shall not fall below 26% (twenty six percent) as a result of such Transfer by the Management Shareholders;

(iii) notwithstanding anything to the contrary contained in Article 3(a)(ii) above, any Transfer approved by a unanimous vote of the entire Board and approved by each of the Investors in writing;

(iv) notwithstanding anything to the contrary contained in Article 3(a)(ii) above, any Transfer in accordance with Article 5 pursuant to a Strategic Sale; and

(v) subject to the Share Retention Obligation, any Transfer by a Management Shareholder to a Management Shareholder belonging to a Family to which the transferring Management Shareholder does not belong, provided that if such Transfers, in one or more parts, results in a Family Transferring 20% (twenty percent) or more of their Equity Securities held as on the Effective Date ("**Inter-Family Transfer**"), such Transfers shall be subject to the Tag Along Right of each of the Investors in accordance with Article 5 and Article 6, provided further that the Ownership of each Family shall not fall below 26% (twenty six percent) as a result of such Transfers by the Management Shareholders. It is clarified that the provisions of Article 5 as applicable to Strategic Sale shall apply *mutatis mutandis* to each Inter-Family Transfer by the Management Shareholders.

(e) Approval of the Investors. With regard to any Transfer of Equity Securities by the Management Shareholders that may be approved by each of the Investor under any provision of Part B of these Articles, while granting such approval, each Investor shall have the absolute power to seek such details as it may deem fit including know your customer ("**KYC**") requirements.

(f) Transfers by the Existing Shareholders. Notwithstanding anything contained in Part B of these Articles, the Existing Shareholders shall not Transfer any Equity Securities in the Company to any of the individuals or entities named on (A) lists promulgated by the United Nations Security Council or its committees pursuant to resolutions issued under Chapter VII of the United Nations Charter; or (B) the World Bank Listing of Ineligible Firms (see www.worldbank.org/debarr). The Existing Shareholders shall cause the Company to, and the Company shall, refuse to recognize any purported Transfer of Equity Securities in the Company in violation of this Article 3(f), and shall issue appropriate instructions to its depository to refuse to record, register or accept any instruction or delivery slip or any other authorization in relation to any such Transfer of Equity Securities in the Company. Any Transfer made in breach of this Article 3(f) shall be null and *void ab initio*. It is clarified that the said restriction on Transfer of Equity Securities by the Existing Shareholders shall not apply in case such Transfer takes place on the floor of a stock exchange (other than through a block deal).

(g) Transfers by Investors. Subject to the First Offer Right of the Management Shareholders pursuant to Article 4, the Equity Securities held by the Investors and all their rights and obligations under Part B of these Articles (including the board representation and pre-emptive rights) shall be freely transferable, provided that: (i) for a period of 72 (seventy two) months from the First Completion Date, the Investors shall not Transfer their respective Equity Securities to a Competitor; and (ii) the right of Everstone to Transfer its Equity Securities shall be subject to the provisions of Article 6. Subject to the restriction in the preceding sentence, each of the Investors may Transfer its Equity Securities to any Person (including a Competitor) subject to the First Offer Right of the Management Shareholders pursuant to Article 4. Any Transfer by an Investor to its Affiliate shall not be subject to First Offer Right of the Management Shareholders or any other restriction on Transfer under Part B of these Articles. Each Investor shall be entitled to assign its rights and obligations under Part B of these Articles, including its Pre-Emptive Right and Board representation right, without any condition in connection with any Transfer of the Equity Securities. In case of Everstone, such rights may thereafter be exercised either by Everstone or by the transferee to whom the Equity Securities are Transferred.

(h) Depositories. The Company and the Management Shareholders shall issue appropriate instructions to their depository not to Transfer the Equity Securities of any Management Shareholder except in accordance with the Charter Documents and the Shareholders Agreement. The Company shall cause the Management Shareholders to direct their respective depository participants not to accept any instruction slip or delivery slip or other authorization for Transfer contrary to the terms of the Charter Documents and the Shareholders Agreement.

(i) As a pre-condition to any Transfer of Equity Securities permitted under Part B of these Articles, all transferees of Equity Securities (including an Affiliate of a Shareholder) shall agree to be bound by the provisions of the Shareholders Agreement and the Charter Documents and shall execute a Deed of Adherence.

(j) Where an Investor is purchasing any Equity Securities pursuant to Part B of these Articles, it shall have the option of purchasing the Equity Securities by itself or through its Affiliate nominated by such Investor at the sole discretion of such Investor.

(k) The Company and the Management Shareholders shall facilitate, and fully cooperate, from time to time, any proposed transaction of Transfer of Equity Securities by any Investor pursuant to Part B of these Articles, including by providing all required information for and facilitating due diligence by one or more proposed purchasers of such Investor's Equity Securities. It is clarified that each Party shall bear its own costs in relation to any proposed transaction of Transfer of the Equity Securities by any Investor pursuant to Part B of these Articles.

5. SALE OF CONTROL

(a) If the Management Shareholders (together with its Affiliates) propose to Transfer their Equity Securities resulting in a Strategic Sale, through Transfer in one or more tranches, the Management Shareholders shall send a written notice (the "**Tag-Along Notice**") to each of the Investors of not less than 45 (forty five) Business Days before such proposed Transfer by the Management Shareholders (and in case of a Transfer in two or more tranches, not less than 45 (forty five) Business Days prior to each of the tranches of the proposed Transfer) which notice shall state: (i) the name and address and identity of the proposed transferee (the "**Tag Transferee**"), (ii) the aggregate number of Equity Securities to be acquired by the Tag Transferee (the "**Sale Securities**"), (iii) the other terms and conditions of the proposed Transfer including the highest price per Equity Security ("**Tag Price**") after providing for any escalation, non-compete fee or earn-out for future Transfers contemplated, directly or indirectly, on or before the Transfer of the Sale Securities to the Tag Transferee, *provided that* such proposed Transfer is permitted only for cash consideration payable entirely at the time of Transfer (i.e. there is no consideration for the Transfer other than the stated cash consideration and the cash consideration is not deferred to be paid after the Transfer), (iv) the number of Equity Securities the Management Shareholders then hold, and (v) a representation that the Tag Transferee has been informed of the "tag-along" rights provided for in Part B of these Articles.

(b) Tag-Along Rights. Upon the receipt of the Tag Along Notice from the Management Shareholders, each

Investor ("**Tag Along Offeree**") shall have the right (the "**Tag-Along Right**") but not the obligation to require the Management Shareholders to cause the Tag Transferee to purchase from the Tag Along Offeree, prior to acquiring any Equity Securities from the Management Shareholders, at the Tag Along Offeree's option, either (i) all the Equity Securities held by the Tag Along Offeree; or (ii) a proportionate extent of the Equity Securities held by the Tag Along Offeree based on the proportion of the Management Shareholders Equity Securities sought to be Transferred (in one or more parts), for the Tag Price payable in cash at the time of Transfer and upon the same terms and conditions as are to be paid and given to the Management Shareholders; *provided that* (A) in any such transaction, each Tag Along Offeree receives its respective minimum return in accordance with Article 5(c) below from the Strategic Sale; and (B) the consideration received by each Tag Along Offeree for its Equity Securities from the Strategic Sale shall be subject to the Promote Structure in accordance with Article 7. It is clarified that each Tag Along Offeree shall have a Tag-Along Right on each Transfer of Equity Securities by the Management Shareholders forming part of or leading to the Strategic Sale. It is further clarified that the Tag Along Offeree shall not be required to provide any representations or warranties other than with respect to due authorization by the Tag Along Offeree and/or its Affiliates and their title to the Equity Securities proposed to be transferred to the Tag Transferee. The Transfer of Equity Securities by the Management Shareholders to the Tag Transferee shall be on such terms and conditions whereby the Tag Along Offeree would be permitted by applicable Laws to exercise fully its rights under this Article 5.

(c) Minimum Return. The Management Shareholders shall be permitted to Transfer their Equity Securities under this Article 5 only if the Tag Price is at an equity valuation of the Company as provided under the Shareholders Agreement.

For the purpose of these Articles, the Tag Along Offeree's cash realization shall be calculated after deducting from the sale consideration as received by such Tag Along Offeree all costs and expenses incurred by the Tag Along Offeree in relation to such Transfer.

(d) Tag-Along Notice. Within 21 (twenty one) days following the receipt of the Tag-Along Notice, in the event the Tag Along Offeree elects to exercise its Tag-Along Right, it shall deliver a written notice of such election to the Management Shareholders ("**Tag Acceptance Notice**") and shall indicate that it proposes to Transfer at its option either all the Equity Securities held by it or a proportionate extent of the Equity Securities held by the Tag Along Offeree based on the proportion of the Management Shareholders' Equity Securities sought to be Transferred ("**Tag-Along Securities**").

(e) Non-Consummation. Where a Tag Along Offeree has elected to exercise its Tag-Along Right and the Tag Transferee fails to purchase the Tag-Along Securities from such Tag Along Offeree, neither the Management Shareholders nor their Affiliates, as applicable, shall make the proposed Transfer of its Sale Securities, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of Equity Securities.

(f) In the event the Tag Along Offeree fails to exercise its Tag Along Right by providing a Tag Acceptance Notice within 21 (twenty one) days following the receipt of the Tag Along Notice, then upon expiry of such period the Management Shareholders shall be entitled to Transfer the Sale Securities to the Tag Transferee on the same terms and conditions and for the same consideration as specified in the Tag-Along Notice. If such sale of Equity Securities is not completed within 120 (one hundred and twenty) days following the expiry of such 21 (twenty one) days period, the right of the Management Shareholders to Transfer the Equity Securities to the Tag Transferee shall lapse and the provisions of this Article 5 shall again become applicable, except when such 120 (one hundred and twenty) days period is extended by mutual consent of the Parties.

(g) Closing. The closing of any purchase of Equity Securities by the Tag Transferee from the Tag Along Offeree shall take place within the 120 (one hundred and twenty) days period set out in Article 5(f) and prior to the closing of the purchase of Equity Securities by the Tag Transferee from the Management Shareholders or at such other time and place as the Tag Along Offeree may agree in writing. At such closing, the Tag Along Offeree shall deliver the Tag-Along Securities, accompanied by duly executed instruments of Transfer or duly executed Transfer instructions to the relevant depository participant (if the Equity Securities are in dematerialized form) and the Tag Transferee shall pay the applicable purchase consideration in cash in full.

7. PROMOTE STRUCTURE

The Parties have agreed to a promote structure on such terms as contained in the Shareholders Agreement.

9. CORPORATE ACTIONS

Each Investor shall be protected against any dilution of (i) its Ownership in the Company in the event of any share split, issuance of bonus shares, share dividends, consolidation of shares, combinations, recapitalizations and share dividends, combinations and such other events pursuant to which the Ownership of such Investor may be diluted from the percentage existing immediately before such event, or (ii) Company's equity holdings in its Subsidiaries or Minority Joint Ventures in the event of any share split, issuance of bonus shares, share dividends, consolidation of shares, combinations, recapitalizations, or otherwise, and share dividends, combinations and such other events pursuant to which the equity holding of the Company may be diluted from the percentage existing immediately before such event (each an "**Anti-Dilution Event**"). On the occurrence of an Anti-Dilution Event, the Management Shareholders shall be under an obligation to co-operate with each Investor and the Company such that the Company forthwith takes all necessary steps to issue additional Equity Securities to such Investor to maintain such Investor's Ownership or indirect equity holding percentage in Subsidiaries or Minority Joint Ventures, as the case may be, existing immediately before the Anti-Dilution Event. If the Company cannot issue additional Equity Securities to such Investor as aforesaid, the Management Shareholders shall dilute their Ownership in the Company and Transfer such additional Equity Securities to such Investor at the lowest price permitted under applicable Laws. The Company shall not issue any Equity Securities or take any other action in relation to an Anti-Dilution Event unless the above terms are first complied with.

10. CORPORATE GOVERNANCE

(a) Authority of the Board. Subject to Part B of these Articles and the Act, the Board shall be responsible for the management, supervision, direction and control of the Company and shall be entitled to delegate powers to such persons and such committees that the Board may create to assist it in its business and objectives.

(b) Size of the Board. The maximum number of Directors constituting the Board shall not exceed 15 (fifteen). Everstone shall be entitled to nominate such number of Directors on the Board as would be reflective of its Pro Rata Shares in the Company without including the Independent Directors for determination of such number and subject to a minimum of 1 (one) Director on the Board, as long as Everstone has Ownership of 5% (five percent) or more of the Share Capital of the Company (the "**Everstone Director**"). Everstone shall not have a right to nominate any Director in case its Ownership falls below 5% (five percent) of the Share Capital of the Company. So long as an individual is an Everstone Director, he/she shall not be appointed by Everstone as a director on the board of directors of any Competitor in India. Provided however that, the Everstone Director can be appointed as a director on the board of directors of any entity (including Competitor) by any fund (present and future) of which Everstone or its Affiliate is an investment manager, investment advisor or general partner or any fund or such fund's Affiliate managed by or any entity that is managed by either the investment manager of Everstone or managed by the Affiliate of the investment manager, or managed by any Person(s) who singly or jointly Control the investment manager of Everstone. IFC shall be entitled to nominate 1 (one) Director (the "**IFC Director**") on the Board as long as it has Ownership of at least 5% (five percent) of the Share Capital of the Company. IFC Director shall not be a director on the board of directors of any Competitor in India.

On the Effective Date, the Board shall comprise of up to 9 (nine) Directors, out of which Mr. Dinesh Kumar Jhunjhnuwala and Mr. Himanshu Gupta shall be the Executive Directors, 1 (one) Director shall be the Everstone Director and 1 (one) Director shall be the IFC Director, if nominated by IFC. The Investor Directors shall be non-executive/non-whole-time Directors of the Company and as such shall not be responsible for day to day operations/management of the affairs of the Company. The Investor Directors are not and shall not be considered as "officer in default" for the purposes of the Act and applicable Law. In addition to its Investor Directors, each Investor (excluding IFC) shall also have the

right to nominate 1 (one) observer who shall be entitled to notice, attend and participate in all meetings of the Board, but shall not have any right to vote (the "**Observer**"). Such Observer shall be the employee, director or officer of such Investor or such Investor's Affiliates/advisors.

(c) Any vacancy occurring with respect to the position of the IFC Director by reason of retirement by rotation shall be filled only by another nominee specified by IFC. Each of the Management Shareholders and the Company shall in accordance with Article 10(u)(i) ensure, to the fullest extent of all rights and powers available to them , that such nominee is promptly appointed as a Director. The Company shall reimburse the Investor Directors and the Observer(s) for travel and other out of pocket expenses reasonably incurred for the purpose of attending meetings of the Board and/or any meetings of the committees of the Board or for any other work undertaken by the Investor Directors for the Company in accordance with the travel policy of the Company. The Company shall and the Management Shareholders shall ensure that the Company shall reimburse all the Directors of the Company equally for participating in the meetings of the Board and for any other expenses incurred by them in relation to any work undertaken for the Company without drawing any distinction on the basis that such Director has been appointed by the Management Shareholders or the Investor.

(d) Independent Directors. The Company shall appoint, and the Management Shareholders shall ensure that the Company appoints Independent Directors as mutually agreed between the Investors and the Management Shareholders and in accordance with Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Director shall sign an appropriate non-disclosure agreement as required by the Company.

(e) Committees of the Board. The Board shall constitute such committees or sub committees of the Board and delegate such of the Board's powers to the aforesaid committees as the Board may deem fit. Each of Everstone and IFC shall have the right of nominating their respective Investor Directors on each such committee or sub-committee of the Company and such Investor Directors shall be entitled to the same rights as other members of such committees, except with respect to the Administrative Committee (defined below) which shall be comprised of Directors (save for Investor Directors) and the Subsidiaries and Joint Ventures Governance Committee where only Everstone, and not IFC, shall have the right to nominate its Investor Director. Unless agreed in writing by the Parties or otherwise permitted under these Articles, all provisions of these Articles relating to the Board and its meetings shall be applicable to the proceedings, decisions and actions of the committees mentioned in this Article 10(e).

(f) Administrative Committee. The Board shall maintain an Administrative Committee which shall be constituted for the purpose of looking after the matters, as set forth below as the Administrative Committee Matters and for the avoidance of doubt, shall not take up and/or discuss any Board and Everstone Reserved Matters, any Everstone Reserved Matters or IFC Reserved Matters or Related Party Transactions. The Administrative Committee shall meet at such times as may be determined by its members and the minutes of the meetings of the Administrative Committee shall be placed before the Board at the next meeting of the Board. Everstone shall have the right to appoint one observer to attend, observe the proceedings, recommend suggestions and have the same recorded as part of the minutes of the Administrative Committee meetings.

Administrative Committee Matters

(i) To approve opening, operation and closing of banking account(s) of the Company and to authorize any person(s) or Director(s) of the Company to operate the same for and on behalf of the Company and/ or amend / modify any such authorization(s).

(ii) To take such licenses/ approvals, consents, registrations and permits ("**Authorizations**") under the applicable laws from various authorities, as the Company may be required to take in relation to its business operations and to authorize any person(s) or Director(s) of the Company to deal with the concerned authorities for obtaining such Authorizations.

(iii) To apply and bid for government, semi government and private sector tenders for supply of books and other educational/study material and to authorize any person(s) or Director(s) of the

Company to sign bid application and other tender documents and to deal with tender awarding authorities for and on behalf of the Company.

(iv) To take new utility connections as and when required (including but not limited to electricity, telephone, internet, and gas connections) /transfer existing connections to new premises and to authorize any person(s) or Director(s) of the Company to deal with concerned authorities for obtaining/transferring such connections.

(v) Except any Related Party Transaction, to approve taking on lease or on rent immovable properties including but not limited to, office premises, or for guest house purposes, storerooms, godowns or other suitable premises for storing the products of the Company and authorize any person(s) or Director(s) of the Company to execute necessary agreement(s), deed(s), document(s), paper(s), affix common seal of the Company on such documents if required, present such documents to concerned government authorities for registration and appear before such authorities for and on behalf of the Company. Provided, that the monthly rent with respect to such leases shall not exceed INR 20,000 (Rupees Twenty Thousand) per month and the deposit amount with respect to such leases shall not exceed INR 100,000 (Rupees One Hundred Thousand).

(vi) Subject to the approval of the cost control committee of the Company, to purchase/take on lease vehicles for official use of the Company and/or to take loans for financing such vehicles from bank and other financial institutions and to authorize a person to execute necessary documents for such purchase and financing of vehicles other than any Related Party Transaction.

(vii) To commence and prosecute any suit or other legal action or proceedings in relation to the business of the Company and for recovery of any moneys, goods or other properties of the Company or establishing a right related to the business of the Company and to defend any suit or legal proceedings against the Company and for that purposes to authorize any person(s) or Director(s) of the Company to sign, affirm, or declare plaints, statements of defense, petitions, affidavits and other papers as may be required and to appoint any advocate or solicitor for that purpose.

(viii) To refer to arbitration any dispute in connection with the business of the Company and to authorize any person(s) or Director(s) to attend to such arbitration proceedings personally or through advocates and to do all such acts or things as may be required in that behalf.

(ix) To generally do all acts and things incidental to the powers hereinabove mentioned herein and to delegate all or any of the power(s) mentioned above in favour of any Person(s) (except the Investors) or Director (s) of the Company (except the Investor Directors).

(g) Management Committee. The Board shall maintain a Management Committee to oversee the day-to-day operations of the Company and its Subsidiaries. The Management Committee shall also oversee the day-to-day operations of the Subsidiaries and Minority Joint Ventures to the extent permitted by their respective joint venture agreements and articles of association. The Management Committee shall have the responsibility to manage and resolve operational matters of the Company and its Subsidiaries and Minority Joint Ventures (to the extent permitted by their respective joint venture agreements and articles of association), including reviewing monthly performance on all fronts like planning, procurement, production, distribution, sales or service, hiring plans, realization etc. and shall include such other terms of reference which may be included by the Board from time to time.

The Management Committee shall meet at least once every month and the minutes of the meeting of the Management Committee shall be placed before the Board at the next meeting of the Board. The Management Committee shall comprise of the Executive Directors, the chief executive officer, the chief financial officer, the executive vice president, and/or such other senior employees of the Company as agreed from time to time among the Executive Directors, and if the discussion is relating to a Subsidiary or Minority Joint Ventures, the chief executive officer/business heads, the chief financial officer and/or the executive vice president of such Subsidiary or Minority Joint Venture and /or such senior employees as agreed time to time between the Executive Directors. The decisions and recommendations of this Management Committee to the Board will be by a majority consensus. The

Investors shall have the right to appoint one observer to attend, observe the proceedings, recommend suggestions and have the same recorded as part of the minutes of the Management Committee meetings. All other procedures for the conduct of the Management Committee shall be mutually agreed between the Executive Directors and the Investors' representatives.

(h) Audit Committee. The Board shall maintain an Audit Committee, whose members shall be all Directors, and shall be headed by an Independent Director, who shall be appointed within 6 (six) months from the Effective Date. Any financial audit of the Company must be in compliance with Indian GAAP and/or Ind AS and/or any other applicable accounting standards, as may be prescribed by the Governmental Authority, and shall be approved by the Audit Committee.

(i) Compensation Committee. The Board shall maintain a Compensation Committee for the purpose of recommending to the Board the terms of the appointment and removal of any key managerial person of the Company and its Subsidiaries. The Compensation Committee shall comprise of non-executive directors out of which not less than half shall be Independent Directors and shall include at least one Everstone Director (if Everstone exercises its right to nominate a Director on the Compensation Committee) and the IFC Director (if IFC exercises its right to nominate the IFC Director on the Compensation Committee). The Chairperson of the Compensation Committee shall be an Independent Director. The recommendations of this Compensation Committee to the Board will be by unanimous consensus. This Compensation Committee may also invite, at its discretion and as a special invitee, the chief executive officer of the Company, the chief executive officer of the relevant Subsidiary, as the case may be.

(j) Election of Directors. The Management Shareholders shall exercise their votes in relation to all the Equity Securities held by them at any Shareholders Meeting called for the purpose of filling the positions on the Board, and shall cause any Director appointed by them to vote on any decision of the Board for such purpose, to elect, and shall take all other actions necessary to ensure the election to, and continuance on, the Board of the Investor Directors if required pursuant to Article 10(b).

(k) Removal and Replacement of Directors. The Everstone Director(s) may be removed from the Board only upon the written Consent of Everstone. The IFC Director may be removed from the Board only upon the written Consent of IFC. The Investors shall have the absolute right to appoint, substitute and remove any of their respective Investor Directors at their sole discretion. In the event an Investor Director resigns or is removed in accordance with this Article 10(k), such Relevant Investor will have the right to nominate such Investor Director's successor or replacement, and such successor or replacement Director shall be nominated and elected on or as soon as practicable after the date of such resignation or removal subject to timely submission of necessary documents and in any event within 15 (fifteen) Business Days after such resignation or removal.

(l) Alternate Director. Each Investor shall be entitled through its respective Investor Directors to nominate an alternate Director to act in accordance with the Act for any of the Director(s) nominated by such Investor. Such Investor shall issue a written notice to the Company in accordance with Clause 24 of the Shareholders Agreement at its registered office, providing the name and contact address of such alternate Director ("**Alternate Director Nomination Notice**"). The Board shall appoint the alternate Director so nominated within 5 (five) Business Days of the receipt of such Alternate Director Nomination Notice. The Investors shall also have a right to withdraw their respective nominated alternate Director and nominate another in his/her place. Reference to the Investor Directors in Part B of these Articles shall include reference to any alternate Director appointed in accordance with the provisions of Part B of these Articles and the Act.

(m) Frequency of Board Meetings. The Management Shareholders shall ensure that a minimum of four (4) meetings of its Board are held every year in such a manner that not more than one hundred and twenty (120) days shall intervene between two (2) consecutive meetings of the Board.

(n) Notice. A meeting of the Board may be called by any of the Directors by giving notice in writing to all the other Directors on the Board of the Company specifying the date and time for such meeting, accompanied by a written agenda specifying in reasonable detail the business of such meeting. The Company shall also ensure that notice of a meeting of the Board shall be accompanied by necessary background and other information and/or supporting documents pertaining to the business proposed to

be transacted thereat. Not less than 7 (seven) Business Days prior notice of a meeting of the Board shall be given to all Directors; however, such notice period may be reduced in accordance with applicable Law and with the written Consent of a majority of the Directors, provided, however, that such majority shall include (i) at least one of the Everstone Directors and (ii) the IFC Director, if such Director is nominated by IFC.

(o) Quorum. In accordance with the provisions of the Act, all meetings of the Board shall require a quorum of one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum; provided, however, that the quorum must include (i) at least one of the Everstone Director(s) unless the Everstone Director(s) individually waive such requirement in writing; and (ii) at least one of the Director(s) nominated by the Management Shareholders unless any of the Directors nominated by the Management Shareholders individually waive such requirement in writing. In the event that a quorum cannot be constituted solely because of the absence of the Everstone Director(s) after proper notice under Article 10(n), the meeting of the Board shall be adjourned to the same day of the following week, if such day is not a Business Day, then the following Business Day ("**First Adjourned Meeting**").

In the event that a quorum cannot be constituted at the First Adjourned Meeting solely because of the absence of the Everstone Director after proper notice under Article 10(o) is given, the First Adjourned Meeting shall be adjourned to the same day of the following week, if such day is not a Business Day, then the following Business Day ("**Second Adjourned Meeting**"). If a quorum exists as per applicable Law at the Second Adjourned Meeting, the presence of the Everstone Director shall not be required for a quorum under Part B of these Articles solely with respect to the matters specified in the agenda for the original meeting excluding any Everstone Reserved Matters. With respect to the Everstone Reserved Matters, if the Everstone Director (as applicable) is absent at the Second Adjourned Meeting, Everstone shall be deemed to have declined to grant its approval for such Everstone Reserved Matters.

(p) Voting. At any Board meeting, each Director shall exercise one vote. Subject to the rights of Everstone under Article 10(q) (*Everstone Reserved Matters*), IFC under Article 10(r) (*IFC Reserved Matters*) and subject to Article 10(s) (*Board and Everstone Reserved Matters*), the adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted meeting of the Board or in the case of a circular resolution, affirmative approval, signed by the majority of the Directors including at least 1 (one) of the Everstone Director(s). Subject to the rights of Everstone under Article 10(q) (*Everstone Reserved Matters*), IFC under Article 10(r) (*IFC Reserved Matters*) and subject to Article 10(s) (*Board and Everstone Reserved Matters*), the Board shall not at any meeting adopt any resolution covering any matter that is not mentioned in the agenda for such meeting unless a majority of the Directors present at such meeting which shall include at least 1 (one) of the Everstone Director(s), vote in favour of such resolution.

(q) Everstone Reserved Matters. The Shareholders agree that neither the Company nor any Shareholder, Director, officer, committee, committee member, employee, agent or any of their respective delegates shall, whether at a meeting of the Shareholders, Directors, committees or otherwise, without the prior written Consent of Everstone, take any of the actions in relation to the Everstone Reserved Matters with respect to the Company and its Subsidiaries. Further, the Shareholders agree that neither the Company nor any Shareholder, Director, officer, committee, committee member, employee, agent or any of their respective delegates shall without the prior written Consent of Everstone take any of the actions, with respect to the Minority Joint Ventures, on which the Company has a veto, affirmative vote or consent right under the joint venture agreement or articles of association of such Minority Joint Venture. The matters set out below in this Article 10(q) with respect to the Company, its Subsidiary and the matters on which the Company has a veto, affirmative vote or consent right under the joint venture agreement or articles of association of the Minority Joint Ventures are collectively referred as '**Everstone Reserved Matters**".

Any proposed actions in respect of Everstone Reserved Matters must be referred to Everstone for its prior written Consent.

If the appointment of statutory auditors of the Company (being an Everstone Reserved Matter) is rejected or deemed to have been declined by Everstone, then Everstone shall nominate for appointment

of the statutory auditors of the Company from amongst the Big Four Accounting Firms.

The Parties agree that in the event (i) Everstone Transfers its Ownership in the Company and no longer holds (directly or indirectly) any Equity Securities in the Company; and (ii) IFC holds at least the IFC Minimum Ownership, then the Company shall obtain and shall ensure that the Subsidiaries obtain the prior written Consent of the Board and IFC for taking any action or decision on matters set forth in paragraph 20 of the Everstone Reserved Matters.

Everstone Reserved Matters:

(1) Transfer (except in the event of Strategic Sale), allot, issue, redeem, vary or repurchase or agree to transfer, allot, issue, redeem, vary or repurchase any share capital, Equity Securities or the equity securities of any of its Subsidiaries or Minority Joint Ventures (or option or right to subscribe for the same) including without limitation the terms, timing and final pricing of any public offering of equity shares including a IPO/QIPO or a Demand QIPO, or follow on offering or any offer for sale.

(2) Entering into any action that would adversely affect the rights, preferences, powers (including voting powers) and privileges of the Equity Securities or equity securities of the Company or any of its Subsidiaries.

(3) Any alteration of, amendment to, or waiver of any provision of the memorandum of association and articles of association of the Company or any of its Subsidiaries.

(4) Any action in relation to the appointment and removal of the Investor Director(s).

(5) Change of Business or the diversification of the Business of the Company or any of its Subsidiaries.

(6) Any reduction in the authorized share capital of the Company or any of its Subsidiaries either by lowering the par value of equity shares or by decreasing the number of equity shares issued, any sub-division or amalgamation of the authorized or issued share capital of the Company or any of its Subsidiaries or of any rights or privileges attached to any equity shares or class of equity shares of the Company or any of its Subsidiaries.

(7) Any increase or decrease in the number of Directors on the Board of the Company or the number of directors in any of the Subsidiaries.

(8) Any acquisition, purchase, sale, Transfer, licensing, sub-licensing, franchising, consulting or assigning brands or Intellectual Properties of the Company or any of its Subsidiaries.

(9) Any proposal for:

(a) The creation of any Subsidiary or the reconstruction, consolidation or reorganization of the Company or any of its Subsidiaries; or

(b) The amalgamation or merger of the Company or any of its Subsidiaries; or

(c) The winding up or dissolution of the Company or any of its Subsidiaries; or

(d) Transfer or sale, licensing, sub-licensing, franchising and assigning of any Intellectual Property of the Company or any of its Subsidiaries or of any tangible or intangible assets.

(10) Any payment of dividends or other distribution by the Company or any of its Subsidiaries.

(11) Any change in the name of the Company or any of its Subsidiaries.

(12) Create or adopt any new or additional equity option plan by the Company or any of its Subsidiaries.

(13) The acquisition by the Company or any of its Subsidiaries of any share capital or other securities of any body corporate (including any form of domestic or international entity, whether incorporated or not) or the incorporation or setting up of a Subsidiary, including any acquisition of any business on a going concern basis.

(14) The Company or any of its Subsidiaries making any advance or loan or providing any credit to any Person, except in the ordinary course of Business.

(15) The Company or any of its Subsidiaries giving any guarantee, indemnity or security in respect of the obligations of any Person.

(16) Formation of or entry by the Company or any of its Subsidiaries into joint ventures, consortium, partnership or similar arrangement with any other Person or business.

(17) The making by the Company or any of its Subsidiaries of any arrangement with its creditors and any decision in relation to insolvency, receivership or bankruptcy.

(18) Change/appointment of auditors of the Company or any of its Subsidiaries.

(19) Any change in the Financial Year for preparation of audited accounts of the Company or any of its Subsidiaries.

(20) Affiliated or Related Party Transactions, agreements or arrangements between the Company or any of its Subsidiaries and the Management Shareholders or their Affiliates.

(21) Approval of the annual Business Plan/budgets including sanctioned and non-sanctioned loan limits of the Company or any of its Subsidiaries or any deviations thereto.

(22) Revise the salaries/compensation paid to the Directors and/or any key managerial personnel (whose salary/compensation is Rs. 2,000,000 (Rupees Two Million) or more) of the Company or directors and/or key managerial personnel (whose salary/compensation is Rs. 2,000,000 (Rupees Two Million) or more) of any of its Subsidiaries.

(23) Appointment or removal of chief executive office, chief financial officer, chief operating officer / executive vice president and/or key managerial personnel (whose salary/total compensation is Rs. 2,000,000 (Rupees Two Million) or more per annum) of the Company and its Subsidiaries in future.

(24) Capital expenditure, including constructions and leases, and Indebtedness in excess of the levels agreed upon in the annual Business Plan/ budgets of the Company or any of its Subsidiaries.

(25) Changes to material accounting or tax policies or practices other than those required by applicable Law.

(26) Entering into any derivative transactions which are not as per the derivatives policy adopted by the Company or its Subsidiary in agreement with the Investor.

(27) Entering into any contract outside the ordinary course of Business.

(28) Any commitment or agreement to do any of the foregoing.

(r) IFC Reserved Matters. The Company shall not and shall ensure that each of its Subsidiaries shall not take the decisions or actions in relation to the IFC Reserved Matters without the prior written Consent of IFC. The IFC Reserved Matters set forth below with respect to the Company and its Subsidiaries are collectively referred as "**IFC Reserved Matters**". The Company shall ensure, and the Management Shareholders shall cause the Company to ensure that, any proposed actions in respect of IFC Reserved Matters shall be referred to IFC for its prior written Consent.

Notwithstanding the foregoing, in relation to actions and matters set forth under paragraphs (7), (9), (10), (11) and (14) of the IFC Reserved Matters (IFC Reserved Matters), prior written consent of IFC under this Article 10(r) shall not be required in case IFC's Ownership in the Company is less than seven percent (7%) of the Share Capital of the Company (on a fully diluted basis and assuming that all stock options granted under the ESOP Plan are vested and Equity Shares have been issued and allotted for such stock options) ("**IFC Minimum Ownership**").

IFC Reserved Matters:

(1) Amend or repeal the Company's Charter Documents or the charter documents of any Subsidiary (i) in any material manner or (ii) in contravention of the terms of Part B of these Articles. Provided however, the following amendments in the Company's Charter Documents or charter documents of any Subsidiary shall not require consent of IFC:

(i) any increase in the authorized share capital of the Company or its Subsidiaries in accordance with the Business Plan approved in terms of Part B of these Articles;

(ii) change in the registered office of the company or its Subsidiaries; and

(iii) any addition in the 'object' clause under the Charter Documents of the Company or charter documents of its Subsidiary, provided that such addition in the 'object' clause is accordance with and falls within the ambit of the Company's Business.

(2) Change the designations, powers, rights, preferences or privileges, or the qualifications, limitations or restrictions of the Equity Securities held by IFC, through amendment or repeal of the Charter Documents or otherwise;

(3) Create, authorize or issue any Equity Securities in the Company, having rights, privileges and preferences more favourable or senior to the rights, privileges and preferences granted to IFC or incurring any Shareholder loan;

(4) Change in the Business or its nature or in the business or nature of business of any Subsidiaries;

(5) Any amalgamation, merger, consolidation, reconstitution, restructuring or similar transaction that results in a change in Control of the Company or any Subsidiary, except:

(a) in case of Strategic Sale where (i) the consideration offered to IFC for the Equity Securities held by it, is in form of cash only; and (ii) such Strategic Sale is undertaken in accordance with the provisions of Part B of these Articles; and

(b) as a consequence of Everstone exercising its right of Drag Exit under Part B of these Articles;

(6) Authorize or undertake any Liquidation Event;

(7) Authorize or undertake any reduction of capital or share repurchase, other than any repurchase of Equity Securities of the Company under the ESOP Plan;

(8) The sale of any Intellectual Property rights (including those relating to copyrights, trademarks, patents and designs) of the Company or its Subsidiaries, that is required for current or future operations of the Company, which account for more than 10% (ten percent) of the revenues of the Company on a consolidated basis;

(9) Grant or enter into any material license, agreement or arrangement concerning any Intellectual Property rights, other than in the ordinary course of business;

(10) Adopt, amend or revise any policy in relation to or in connection with payment of dividends by the Company;

(11) Adopt (except the ESOP Plan), amend or revise any employee stock option plan (including ESOP Plan);

(12) Authorize or undertake any arrangement for the disposal (including but not limited to any sale, exchange or lease), whether in one or a series of transactions, of any shares of any Subsidiary that results in the Company owning (directly or indirectly) less than 51% (fifty one percent) of any such Subsidiary;

(13) Entering into transactions with any Related Party (other than Subsidiaries in the ordinary course of business), including Persons holding any material interest in the Company, Affiliates of the Company, Subsidiaries, Directors of the Company or any Subsidiary's directors, officers or members of their families, in excess of Rs. 6,00,00,000 in the aggregate in any Financial Year;

(14) Entering into any commitment, arrangement or agreement in relation to acquisition of other Persons (whether by direct acquisition of shares, assets or otherwise) for a consideration exceeding Rs. 180,000,000 (Rupees One Hundred and Eighty Million); and

(15) Authorize or undertake any listing, offering or any delisting of any Equity Securities of the Company or any Subsidiary, other than a QIPO undertaken in accordance with the terms of Part B of these Articles.

(s) Board and Everstone Reserved Matters. The Company shall not, and shall ensure that the Subsidiaries shall not, without the prior written Consent of the Board and Everstone, take any of the actions in relation to the Board and Everstone Reserved Matters with respect to the Company and the Subsidiaries ("**Board and Everstone Reserved Matters**"). The Parties agree that in the event (i) Everstone Transfers its Ownership in the Company and no longer holds (directly or indirectly) any Equity Securities in the Company; and (ii) IFC holds at least the IFC Minimum Ownership, then the Company shall obtain and shall ensure that the Subsidiaries obtain the prior written Consent of the Board and IFC for taking any action or decision on the Board and Everstone Reserved Matters.

Further, upon the shareholding of IFC falling below the IFC Minimum Ownership, the actions under paragraphs (7), (9), (10), (11) and (14) of the IFC Reserved Matters shall also require prior written consent of the Board and Everstone in accordance with the provisions of this Article 10(s).

Board and Everstone Reserved Matters:

(1) material transactions with any Related Party (other than Subsidiaries in the ordinary course of business), including Persons holding any material interest in the Company, Affiliates of the Company, Subsidiaries, Directors of the Company or any Subsidiary's directors, officers or members of their families;

(2) removing or replacing the auditors of the Company;

(3) approving or amending the Business Plan or annual budget;

(4) entering into any obligation outside the normal course of business of the Company or its Subsidiaries;

(5) entering into any commitments for capital investments in excess of the Business Plan;

(6) incurring Indebtedness in excess of debt specified in Business Plan approved in accordance with Part B of these Articles;

(7) creating any Subsidiary or entering into any joint ventures.

(t) Subsidiaries and Minority Joint Ventures.

(i) *For Minority Joint Ventures*: Everstone shall have the right to nominate a director on the board of directors of each Minority Joint Venture of the Company (provided that the Company has the

right to appoint more than one director to the board of such Minority Joint Venture), whose office shall not be capable of being vacated by rotation. In the event the Company has the right to appoint only one director to the board of directors of such Minority Joint Venture, then on a written request by Everstone, the Company shall arrange for a representative of Everstone to act as an observer at the meetings of the board of directors of such Minority Joint Venture.

(ii) *For Subsidiaries*: Unless otherwise agreed by Everstone in writing, the board composition of the Subsidiaries shall be same as the Board of the Company as regards representation of the Management Shareholders and Everstone.

(iii) The Company shall ensure that the Subsidiary or the Minority Joint Venture reimburses each Everstone nominee director/observer for all travel and other out of pocket expenses reasonably incurred for the purpose of attending meetings of the board of directors or for any other work undertaken for such Subsidiary or Minority Joint Venture in accordance with the travel policy of such Subsidiary or Minority Joint Venture.

(iv) All provisions of Part B of these Articles relating to the Board, committees thereof and their meetings and the Shareholders Meeting shall be applicable to the proceedings, decisions and actions of the board of directors, committees thereof and the shareholders meetings of the Subsidiaries as regards representation and rights of the Management Shareholders and Everstone. The articles of association of each Subsidiary shall be amended to confirm to Article 10(n)(o) and (p).

Subject to applicable Law, the Company shall, and the Management Shareholders shall cause the Company to, take all such action, including voting the equity shares held by it in any of its Subsidiaries and Minority Joint Ventures, and causing the directors appointed by it to the board of directors of any of its Subsidiary and Minority Joint Ventures, to implement and give effect to the provisions of Article 10(n)(o) and (p).

(v) IFC shall not have any right to nominate a director on the board of directors of any of the Subsidiaries and/or Minority Joint Ventures of the Company.

(u) Complete Effect.

(i) Each Management Shareholder shall vote its Equity Shares at any general or extraordinary general meeting of the Shareholders (a "**Shareholders Meeting**"), and each Shareholder shall take all other actions necessary, to give effect to the provisions of the Shareholders Agreement. In addition, each Management Shareholder shall vote its Equity Shares at any Shareholders Meeting upon any matter submitted for action by the Shareholders or with respect to which the Shareholders may vote, and shall cause its Directors on the Board to vote, in conformity with the specific terms and provisions of the Shareholders Agreement to the extent legally permissible to give complete legal effect to the Shareholders Agreement. The Parties shall use their best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under Law to consummate or implement expeditiously the transactions contemplated by, and the agreements and understanding contained in the Shareholders Agreement. The Management Shareholders shall vote their Equity Shares and shall take all other actions necessary or required, to ensure that at all times the Charter Documents conform to the Shareholders Agreement.

(ii) After the Transfer of all Equity Securities from the Management Shareholders and/or their Affiliates to Everstone pursuant to the exercise of the Everstone Call Right (in accordance with Article 17), the Parties undertake to take all actions and to do all things necessary (including to vote at any general or extraordinary general meeting of the Shareholders) to give effect to the provisions of the Shareholders Agreement. Nothing in this Article 10(u)(ii) will require Everstone to assume or accept any financial obligation.

(v) Shareholders Meetings. Any Shareholders Meeting shall be called and held in accordance with the provisions of the Act and these Articles.

(w) Notice. Prior written notice of 21 (twenty one) days for a Shareholders Meeting shall be given in writing to all Shareholders of the Company. It is provided further that any Shareholders Meeting may be held upon shorter notice in accordance with the provisions of the Act and the Charter Documents and subject to the prior written approval of each of the Investors. All notices shall be accompanied by an agenda setting out in detail the particular business proposed to be transacted at such Shareholders Meeting and supporting material. The Shareholders Meeting shall be conducted in accordance with the Act, subject to the rights of IFC and Everstone with respect to the IFC Reserved Matters, Everstone Reserved Matters, respectively, and the Board and Everstone Reserved Matters.

(x) Quorum.

(i) The quorum for a Shareholders Meeting shall be in accordance with the provisions of the Act, provided, that such quorum must include the presence of a representative of Everstone and a representative of IFC unless the relevant Investor waives such requirement in writing and such quorum must also include the presence of at least one Management Shareholder or a representative of the Management Shareholders unless the Management Shareholders waive such requirement in writing.

(ii) In the event that a quorum cannot be constituted solely because of either the absence of the representative of Everstone or the absence of the representative of IFC or the absence of at least one Management Shareholder or a representative of the Management Shareholder after proper notice under Article 10(w) or lack of quorum as per applicable Law, the Shareholders Meeting shall be adjourned to the same day of the following week, if such day is not a Business Day, then the following Business Day ("**Adjourned Meeting**").

(iii) In the event that a quorum (as required for the original Shareholders Meeting) cannot be constituted at the Adjourned Meeting because of either the absence of the representative of Everstone or the absence of the representative of IFC or the absence of a Management Shareholder or a representative of the Management Shareholders or lack of quorum (as required for the original Shareholders Meeting) as per applicable Law, the members present shall form quorum, provided that no Everstone Reserved Matter or IFC Reserved Matter or Board and Everstone Reserved Matters shall be taken up at such Adjourned Meeting.

(y) Business Plan. The Company, its Subsidiaries and Minority Joint Ventures shall each have an annual operating business plan (the "**Business Plan**"), a draft of which shall be provided to Everstone by 31st March of the preceding Financial Year by the Company and shall be approved by the Board before 15th April of the Financial Year to which such Business Plan pertains to, subject to the Everstone Reserved Matters rights of Everstone. If the Business Plan is not approved by the Board and Everstone before 15th April of any Financial Year, the Company shall in the interim, and till the time the revised Business Plan is approved by the Board and Everstone conduct its affairs in accordance with the Business Plan of the preceding Financial Year as increased by 10% (ten percent) in terms of values of each line item of such Business Plan.

The Company shall at all times conduct its affairs in accordance with a current/subsisting Everstone approved Business Plan. Any deviation in terms of value from the Business Plan including in respect of any line item of the Business Plan, including borrowings or guarantees, capex, investments, divestments, pre-payment of loans or varying or entering into material contracts, outside the ordinary course of Business will require the prior written approval of Everstone and the Company shall be bound to conduct Business only in accordance with the current and subsisting Business Plan approved by Everstone.

(z) Annual Audited Financial Statements: The annual audited financial statements of the Company, its Subsidiary and the Minority Joint Ventures shall not be taken up for discussion at their respective annual general meetings unless they have been approved by each of the Investors. If the annual audited financial statements are not approved by each of the Investors in time to meet the Company's statutory obligations to file the same with the registrar of companies, the Company, its Subsidiary and the Minority Joint Ventures may file the annual audited financial statements as approved by a majority of their shareholders with the registrar of companies, without prejudice to the rights of the Investors. In any event, the Company shall address any objections that the Investors may have on the annual audited

financial statements of the Company, its Subsidiaries and Minority Joint Ventures to the Investor's satisfaction. Further, the Investors shall have a right to seek clarifications and further information on the annual audited financial statements, which shall be provided by the Company to the Investor's satisfaction.

11. COVENANTS OF THE COMPANY AND THE MANAGEMENT SHAREHOLDERS

(a) Access. The Company and its Subsidiaries shall, and the Company shall procure that the Subsidiaries and Minority Joint Ventures shall to the extent permitted by their respective joint venture agreements and articles of association, upon prior notice from the Investors, allow each of the Investor and its authorized Representatives during normal business hours to inspect its books and accounting records, to make extracts and copies there from at its own expense, to access the Company, its Subsidiaries and Minority Ventures facilities, and to have access to the Company, its Subsidiaries and Minority Joint Ventures management, key employees, consultants and accounting and legal advisors to seek clarifications regarding the affairs of the Company, its Subsidiaries and Minority Joint Ventures. In addition, the Investor Directors shall have access to all such information of the Company access to which is available to any other Director. The respective Investor Directors and Observer(s) shall be free to disclose all information of the Company they have to the respective Investors.

(b) Reports. The Company shall provide to each Investor:

(i) within 120 (one hundred and twenty) days after the end of each Financial Year, the annual audited consolidated and unconsolidated financial statements (consisting of a balance sheet, profit and loss account and cash flow statement) of the Company and its Subsidiaries and Minority Joint Ventures for such Financial Year;

(ii) within 20 (twenty) days after the end of each fiscal quarter, unaudited quarterly unconsolidated and consolidated financial statements (consisting of a balance sheet, profit and loss account and cash flow statement) for such quarter of the Company and its Subsidiaries and Minority Joint Ventures;

(iii) within 15 (fifteen) days after the end of each month, monthly management reports (including consolidated and unconsolidated Profit & loss account, Balance Sheet) of the Company and its Subsidiaries and Minority Joint Ventures;

(iv) within 10 (ten) days of such request, copies of any reports filed by the Company and its Subsidiaries and Minority Joint Ventures with any regulatory authority as may be requested by the Investor;

(v) within 10 (ten) days after receiving a request, such other information relating to the Business of the Company, its Subsidiaries and Minority Joint Ventures as the Investor may reasonably request from time to time;

(vi) no later than 30 (thirty) days after each Financial Year, the proposed annual Business Plan for the current and applicable Financial Year;

(vii) no later than 15 (fifteen) days after receipt thereof, any management letter or similar letter from the statutory auditors of the Company;

(viii) no later than 15 (fifteen) days after each Shareholders Meeting, the minutes thereof reflecting decisions adopted at such meeting;

(ix) until the implementation of the Corporate Governance Improvement Plan is satisfactorily completed, no later than 90 (ninety) days after the end of each Financial Year, a written report outlining the Company's progress in implementing the Corporate Governance Improvement Plan;

(x) no later than 15 (fifteen) days after each meeting of the Board, the minutes thereof reflecting decisions adopted at such meeting;

(xi) simultaneously with the Board meeting, the notice, agenda and relevant material relating to a Board meeting; and

(xii) such information as may be required by Investors from time to time requests with regard to the Company, any of its Subsidiaries and Minority Joint Ventures, including, without limitation, copies of correspondence from any Governmental Authority.

All the financial statements of the Company, its Subsidiaries and Minority Joint Ventures shall be prepared in accordance with the Indian GAAP and/or Ind AS and/or any other applicable accounting standards, as may be prescribed by the relevant Governmental Authority. Additionally, all management reports prepared by the Company and its Subsidiaries and Minority Joint Ventures shall include a comparison of the financial results with the corresponding quarterly and annual budgets.

(c) Other Matters. The Company shall promptly notify each Investor of:

(i) any breach by the Company, its Subsidiary or Minority Joint Venture of any Law, which in any respect may have or had a Material Adverse Effect on the Company, its Subsidiary or Minority Joint Venture;

(ii) any material litigation including any litigation creating a financial liability of Rs. 1,000,000 (Rupees one million) to which the Company, its Subsidiary or Minority Joint Venture becomes a party, or of circumstances known to the Company that are expected to give rise to such litigation;

(iii) any material change in the proportionate equity ownership of the Company in any Minority Joint Venture or a Subsidiary;

(iv) withdrawal of any material banking or credit facilities of the Company, its Subsidiaries and Minority Joint Ventures, and their efforts to restore adequate banking facilities;

(v) periodic reports regarding the status and progress of the QIPO; and

(vi) any breach or threatened breach of the Part B of these Articles and Transaction Documents.

(d) Additional Reporting Requirement. The Company shall, without prejudice to the provisions of Article 11 (b), irrevocably authorize and instruct the auditors of the Company (whose fees and expenses shall be for the account of the Company), in the forms set forth in Schedule 6 of the IFC Subscription Agreement and Schedule 6 of the Everstone Subscription Agreement respectively, to communicate directly with the Investors at any time regarding the Company's financial statements, accounts and operations. No later than thirty (30) days after any change in the auditors of the Company, the Company shall repeat the process in the immediately preceding sentence with the new auditors of the Company and provide a copy of the Company's instructions and any other related documentation to the Investors.

(e) IFC Policy Covenants. The Existing Shareholders and the Company undertake that they shall, and the Management Shareholders shall cause the Company and each of the Subsidiaries to, comply with the policy covenants listed in Schedule 9 (IFC Policy Covenants) at all times during the term of the Shareholders Agreement.

(f) Most Favourable Rights. Without the prior written Consent of each of the Investors, the Company shall not, and the Management Shareholders shall not cause the Company to, issue any Equity Securities or enter into any management agreement or shareholders agreement or any other agreements with any Person, which agreement confers on such Person terms which, considered in the aggregate, are more favourable than the terms granted herein to any of the Investors. In the event, the Company and the Management Shareholders (upon obtaining the prior Consent of each of the Investor) confer on such Person terms which are more favourable than the terms granted herein to any Investor, then notwithstanding anything in the Shareholders Agreement or the Charter Documents, each Investor may, subject to applicable Law, require that its rights as provided for in the Shareholders Agreement and the

Charter Documents be modified and amended in accordance with the terms granted to such Person to confer on such Investor terms at least as favourable as those conferred on such Person as of the Effective Date, including that the effective weighted average price per Equity Share for such Investor is not above the terms offered to any such Person. In such a case, the Company and the Management Shareholders shall take all necessary steps to amend the Charter Documents to give effect to such modification of terms of such Investor.

(g) Other Covenants. The Company undertakes as follows:

(i) The Company shall obtain, and shall cause its Subsidiaries and Minority Joint Ventures to obtain, and to maintain at all times insurance for its assets and businesses as required in Annexure C of Schedule 9 of the Shareholders Agreement from a reputed insurance company Subject to applicable Law, the Company and/or its Subsidiaries and/or its Minority Joint Ventures shall indemnify each Investor Directors in respect of any losses suffered or any costs, expenses or liabilities incurred by such Investor Director(s) in connection with their appointment as Director or in the course of, or in any way related to, his or her activities or his or her position as a Director;

(ii) Key Man Insurance. The Company shall obtain key man insurance with respect to the Executive Directors of the Company, for an amount of Rs. 50,000,000 (Rupees fifty million) and on terms that are customary for similarly situated companies. Such key man insurance policy shall name the Company as the sole nominee/beneficiary.

(h) Arch Papier Transfer: Within a period of 12 (twelve) months from the Effective Date, the Company intends to sell the shareholding of Vikas Publishing House Private Limited (a Subsidiary of the Company) ("**VPHPL**") in Arch Papier-Mache Private Limited ("**Transferee**") ("**Arch Papier Transfer**") at a value not being less than the net asset value as per the audited financial statements of the Company, preceding the date on which consummation of the Arch Papier Transfer occurs. Subject to the following conditions, the Investors hereby agree to and have no objection to the Arch Papier Transfer and the Investors shall take all such reasonable actions, including exercising their voting powers at any Board meeting and/or Shareholders Meeting so as to implement and give effect to the Arch Papier Transfer as contemplated herein:

(i) The relevant purchaser shall not be a director or employee of the Company, VPHPL, any of the Subsidiaries of VPHPL, or any of the associate companies of VPHPL;

(ii) The structure relating to the Arch Papier Transfer shall be in a form and substance acceptable to an Independent Valuer (including absence of any perquisite tax or similar tax in the hands of the Transferee);

(iii) The lease in relation to the basement, ground and mezzanine floors of the property located at 7361, Ramnagar, New Delhi - 110055, which was entered into by Arch Papier-Mache Private Limited with the Company by way of lease deed dated April 2, 2015 shall continue to remain in force on the same terms and conditions;

(iv) The Management Shareholders shall bear any liability (including any Tax liability along with surcharge, cess, interest, penalties, etc.) that may arise out of, pursuant to, or relating to, the Arch Papier Transfer. This liability will include any present liability as well as past liability; and

(v) The Management Shareholders shall jointly and severally, indemnify and hold each Investor and/or the Company and/or VPHPL harmless, on demand, for any damage, loss, charge, demand, liability (including any Tax liability), payment, penalty or expense imposed on, sustained, incurred or suffered by or against, the Investor and/or the Company and/or VPHPL, directly or indirectly, relating to or arising out of the Arch Papier Transfer. The indemnification amount shall be grossed for any Tax liability that would arise in the hands of the Investors and/or the Company and/or VPHPL as a result of such payment.

(i) The Company and the Management Shareholders agree to cause the proper and timely implementation of the Corporate Governance Improvement Plan, attached as Schedule 10 to the Shareholders

Agreement.

(j) In addition to the compliance with the provisions of the Act, all Related Party Transactions, including all investments, loans or guarantees to any Related Parties and formation of any new Subsidiaries or Affiliates, shall be on an arm's length basis as approved in writing by each of the Investor or as applicable, the respective Investor Directors. A set of policies and procedures shall be prepared by the Management Shareholders and the Company in consultation with each Investor incorporating the inputs of each Investor, to ensure that best corporate governance practices are followed in this regard.

(k) The Company and Management Shareholders shall procure all Consents and approvals of Governmental Authority or any other Person and take all actions required in order to ensure compliance with applicable Law while implementing the terms and conditions of the Shareholders Agreement and giving effect to the transactions contemplated hereby.

(l) The Company shall and the Management Shareholders shall ensure that the Company shall engage only in activities in which foreign direct investment is permitted under the 'automatic route' without the requirement for any Governmental Approvals.

(m) The Management Shareholders and the Company shall be jointly and severally liable to ensure the performance of the Shareholders Agreement.

20. MISCELLANEOUS

(a) Indemnity. The Company and the Management Shareholders, shall jointly and severally, (referred to herein as the "**Indemnifying Party**"), indemnify and hold harmless each of the Investors, and each Investor's trustees, managers, officers, directors and employees (individually, an "**Indemnified Party**" and, collectively, the "**Indemnified Parties**") from and against any and all losses to which any Indemnified Party may become subject, in so far as such losses arise out of, in any way relate to, or result from (i) any breach of any representation or warranty made by the Company and/or the Management Shareholders under Part B of these Articles; or (ii) the failure by the Company and/or the Management Shareholders to fulfil any covenant or condition contained in Part B of these Articles.

In order to bring an indemnity claim pursuant to this Article 21(a), the Indemnified Party shall give notice ("**Claim Notice**") to the Indemnifying Party at the time of making such claim, which Claim Notice shall provide with reasonable specificity, to the extent that the Indemnified Party is aware of the same: (i) the amount and nature of such claim, (ii) a description of the Loss in respect of which such claim is sought to be made, and (iii) a description of the facts and circumstances on the basis of which such claim is sought to be made. Upon receipt of the Claim Notice, the Indemnifying Party shall have the right to cure, rectify or remedy the breach asserted in the Claim Notice within a period of 45 (forty five) days. Notwithstanding anything in this Article 21(a), to the extent that the breach as set forth in the Claim Notice is cured, rectified or remedied, the Indemnified Party shall not be entitled to seek any indemnity pursuant to this Article 21(a), except insofar as the loss to which such claim refers has been suffered by the Indemnified Party prior to such breach being cured, rectified or remedied or is suffered despite such cure, rectification or remedy.

(b) Dividends received by the Investors from the Company shall be included in calculating the return or cash realization to the Investors under Article 5(c), Clause 7(a)(i) of the Shareholders Agreement and Article 12(a)(i).

(c) Any breach of the Employment Agreements by Mr. Himanshu Gupta and/or Mr. Dinesh Kumar Jhunjhnuwala shall be considered as a breach of Part B of these Articles by the Management Shareholders.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus to be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material contracts for the Offer

1. Offer agreement dated December 16, 2016 amongst our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated December 12, 2016 amongst our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow agreement dated April 7, 2017 amongst our Company, the Selling Shareholders, the BRLMs, the Syndicate Member, the Escrow Collection Bank, the Public Offer Bank, the Refund Bank and the Registrar to the Offer.

4. Share Escrow Agreement dated April 7, 2017 amongst our Company, the Selling Shareholders, and the Share Escrow Agent.

5. Syndicate agreement dated April 10, 2017 amongst our Company, the Selling Shareholders, the BRLMs, the Syndicate Member and the Registrar to the Offer.

6. Underwriting agreement dated [●] amongst our Company, the Selling Shareholders and the Underwriters.

B. Material documents

1. Certified copies of the Memorandum and Articles of Association, as amended from time to time.

2. Resolution of the Board dated September 19, 2016 authorising the Fresh Issue and approving the Offer for Sale.

3. Resolution of the shareholders dated November 10, 2016 authorising the Fresh Issue.

4. Resolution of the Board dated December 8, 2016 approving the Draft Red Herring Prospectus and authorizing the IPO Committee to make any further modifications.

5. Resolution of the IPO Committee dated December 16, 2016 approving the Draft Red Herring Prospectus.

6. Resolution of the IPO Committee dated March 30, 2017 approving the fresh issue of Equity Shares aggregating up to ₹ 3,250 million.

7. Resolution of the Board dated April 13, 2017 approving this Red Herring Prospectus.

8. Resolutions of the board of directors of Everstone dated June 17, 2016 and March 13, 2017 and the consent letter of Everstone dated December 12, 2016 authorising the offer of its component of the Offer for Sale.

9. Letter of consent dated December 7, 2016 issued by Mr. Himanshu Gupta in relation to the Equity Shares offered by him in the Offer for Sale.

10. Letter of consent dated December 7, 2016 issued by Mr. Dinesh Kumar Jhunjhnuwala in relation to the Equity Shares offered by him in the Offer for Sale.

11. Letter of consent dated December 7, 2016 issued by Ms. Neerja Jhunjhnuwala in relation to the Equity Shares offered by him in the Offer for Sale.

12. Letter of consent dated December 7, 2016 issued by Ms. Nirmala Gupta in relation to the Equity Shares offered by him in the Offer for Sale.

13. Letter of consent dated December 7, 2016 issued by Ms. Savita Gupta in relation to the Equity Shares offered by him in the Offer for Sale.

14. Letter of consent dated December 7, 2016 issued by Ms. Ankita Gupta in relation to the Equity Shares offered by him in the Offer for Sale.

15. Letter of consent dated December 7, 2016 issued by Mr. Gaurav Kumar Jhunjhnuwala in relation to the Equity Shares offered by him in the Offer for Sale.

16. The examination reports of the Auditors, S.R. Batliboi & Associates LLP, dated March 27, 2017 on our Restated Financial Statements included in this Red Herring Prospectus.

17. The report on the Proforma Financial Statements dated March 27, 2017 included in this Red Herring Prospectus.

18. The accountant's report of B. Chhawchharia & Co., Chartered Accountants, dated March 29, 2017 on Chhaya's Consolidated Financial Statements included in this Red Herring Prospectus.

19. The statement of tax benefits dated November 30, 2016 included in this Red Herring Prospectus.

20. Scheme of arrangement amongst our Company and Atlantic Hotels Private Limited, and S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited filed with the RoC on February 9, 2012.

21. Scheme of arrangement amongst our Company and Atlantic Hotels Private Limited, and S. Chand Hotels Private Limited, SC Hotels Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited, and S Chand Properties Private Limited filed with the Registrar of Companies, Tamil Nadu at Chennai on October 16, 2012.

22. Scheme of demerger between our Company and RKG Hospitalities Private Limited filed with the RoC on May 29, 2009.

23. Amended and Restated Shareholders' Agreement dated October 7, 2015, as amended on March 31, 2016 and December 14, 2016, entered among our Company, Everstone Capital Partners II LLC, International Finance Corporation, Ms. Savita Gupta, Mr. Himanshu Gupta, Ms. Ankita Gupta, Ms. Nirmala Gupta, Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala and Mr. Gaurav Kumar Jhunjhnuwala.

24. Share Subscription and Shareholders' Agreement dated July 15, 2015 entered among our Company, Smartivity Labs Private Limited, Mr. Ashish Gupta, Mr. Tushar A Amin, Mr. Jai Ishwarchandra Saxena, Mr. Samir Khurana, Mr. Saurabh Mittal, Mr. Jagdeep Singh, Mr. Kunal Khattar, Mr. Ashwini Kumar, Mr. Apoorv Gupta, and Mr. Rajat Jain.

25. Investment and Share Subscription Agreement dated November 15, 2010 entered among Blackie And Son (Calcutta) Private Limited, BPI (India) Private Limited, Mr. Jai Saxena and Ms. Vidya Sexena.

26. Shareholders' Agreement dated September 2, 2014 entered among Edutor Technologies India Private Limited, Mr. Ram Kumar Gollamudilaxminarasimha, Mr. Boni Venkata Baghathi, Mr. Ramesh Karra, Mr. Shahi Parvatha Reddi, Sashi Reddi Investment Capital Fund, Janampally Krishnadev Rao – HUF,

Orient Blackswan Private Limited, Mr. Salman Karim Babukhan, Mr. Amul B. Sanghani, Mr. Atul B. Sanghani, Mr. Gunapati Ram Chaitanya Reddy, Ms. Snehil Saraf, Mr. Suman Saraf, New India Ventures I, LLC, Mr. Mahesh Pratapaneni, IITM Rular Technologies and Business Incubator and Safari Digital Education Initiatives Private Limited.

27. Amended and Restated Series A Shareholders' Agreement dated March 31, 2017 entered among Testbook Edu Solutions Private Limited, Matrix Partners India Investments II Extension, LLC, Safari Digital Education Initiatives Private Limited, Mr. Narendra Agarwal, Mr. Ashutosh Kumar, Mr. Yadvendar Champawat, Mr. Abhishek Sagar, Mr. Praveen Agrawal and Mr. E. Manoj Chaturvedi Naik.

28. Share Subscription and Shareholders' Agreement dated January 6, 2016 entered among Gyankosh Solutions Private Limited, Mr. Vineet Dwivedi, Mr. Ashis Kumar Roy, Mr. Rahul Pandey, Mr. Deepa Bhat, Blume Ventures India Fund II, Blume Ventures Fund II, Safari Digital Education Initiatives Private Limited, Ms. Jyoti Swarup, Mr. Rakesh Malhotra, Mr. Venkat Krishnamurthy, Mr. Arup Datta, Mr. Akshay Garg, Mr. Ashutosh Sinha, Calabasas Ventures Private Limited, Mr. Sachin Bhatia, Mr. Shagufta Anurag, Mr. Anuj, Mr. Jignesh Bhate, Mr. Kushal Sacheti, Mr. Ramakant Sharma, Mr.Kirari Konduri, Mr. Abhishek Goyal, Bluecap Mobile Private Limited, Mr. Anoop Goyal, Ms. Namratha Sastry, Ms. Subrata Mitra, Mr. Mukesh Bansal, Mr. Mukesh Singh, Mr. Gaurav Mishra, Mr. Manish Singhal, Mr. Sankar Bora, Mr. Gaurav Singh Kushwaha, Mr. Ravi, Mr. Vivek Malhotra, Xelpmoc Design and Tech Private Limited and Ms. Babita Dubey.

29. Share Purchase Agreement dated November 14, 2016, as amended on November 29, 2016, amongst Mr. Sumit Biswas, Ms. Shalini Biswas, Ms. Noyanika Biswas, Chhaya Prakashani Private Limited, EPHL and our Company.

30. Personal Guarantees dated July 3, 2015, May 9, 2016, August 6, 2015, November 11, 2013 and July 11, 2013 issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loans avails by our Company, extended to Kotak Mahindra Bank Limited, Development Bank of Singapore, Standard Chartered Bank, Siemens Financial Services Private Limited and HDFC Bank Limited, respectively.

31. Personal Guarantees dated May 15, 2012 issued by Mr. Himanshu Gupta, in relation to the loan availed by our Company, extended to IndusInd Bank Limited.

32. Personal Guarantees dated September 26, 2014 and September 28, 2015 issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loans availed by VPHPL, to State Bank of India and Siemens Financial Services Private Limited.

33. Personal Guarantees dated May 20, 2016 issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loan availed by DSDPL, extended to Standard Chartered Bank, and personal guarantees dated August 28, 2014, October 1, 2014, March 24, 2015, May 22, 2015, August 6, 2015 and October 27, 2015 issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loans availed by DSDPL, extended to Siemens Financial Services Private Limited.

34. Personal Guarantees dated March 30, 2015 issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loan availed by Nirja Publishers, extended to HDFC Bank Limited.

35. Personal Guarantees dated May 12, 2016, issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loan availed by NSHPL, to Development Bank of Singapore and personal guarantees dated May 25, 2014 and July 31, 2015, issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loans availed by NSHPL, extended to HDFC Bank Limited.

36. Personal Guarantees dated March 4, 2015 issued by Mr. Himanshu Gupta and Mr. Dinesh Kumar Jhunjhnuwala, in relation to the loan availed by BPI, extended to IndusInd Bank Limited.

37. Copy of the ESOP Scheme 2012 of the Company.

38. Copies of the annual reports of our Company for Fiscal 2016, Fiscal 2015, Fiscal 2014, Fiscal 2013 and Fiscal 2012.

39. Consent of our Directors, the BRLMs, Syndicate Member, if any, Legal Counsel to our Company as to Indian law, Legal Counsel to the BRLMs as to Indian law, Legal Counsel to the BRLMs as to international law, Registrars to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, lenders to our Company, and the Chief Financial Officer as referred to in their specific capacities.

40. Consents from the Statutory Auditors to being named as an "Expert" under the Companies Act, 2013 in respect of their examination report dated March 27, 2017 on our Restated Financial Statements and their report dated November 30, 2016 on the Statement of Tax Benefits included in this Red Herring Prospectus.

41. Consents from B. Chhawchharia & Co., Chartered Accountans, to being named as an "Expert" under the Companies Act, 2013.

42. Consent from Technopak dated December 6, 2016 to being named as an "Expert" under the Companies Act, 2013.

43. Consent from Nielsen (India) Private Limited dated December 12, 2016 to being named as an "Expert" under the Companies Act, 2013.

44. Consent from Deepak Seth Talwar, Chartered Engineer, dated December 6, 2016 to being named as an "Expert" under the Companies Act, 2013.

45. Report of the Auditors, S.R. Batliboi & Associates LLP, dated December 8, 2016 in relation to the divestment of Arch Papier-Mache Private Limited by VPHPL.

46. In-principle listing approvals dated December 27, 2016 and January 2, 2017 from the BSE and the NSE, respectively.

47. Agreement amongst NSDL, our Company and Link Intime India Private Limited, dated April 9, 2012.

48. Agreement amongst CDSL, our Company and Link Intime India Private Limited, dated July 18, 2016.

49. Due diligence certificate dated December 16, 2016 to SEBI from the BRLMs.

50. SEBI observation letter no. CFD/DIL-I1/NR/RK/OW/2016/1128 dated January 12, 2017 and SEBI/HO/CFD/DIL-I1/OW/P/4832//2017 dated March 3, 2017.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance with applicable laws.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, and guidelines, rules, regulations issued by the Government of India and SEBI, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA or the SEBI Act, or rules made thereunder or guidelines and regulations issued, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

Signed by the Directors of the Company

Mr. Desh Raj Dogra Chairman, and Non-Executive and Independent Director	**Mr. Himanshu Gupta** Managing Director
Mr. Dinesh Kumar Jhunjhnuwala Executive Director	**Mr. Gaurav Kumar Jhunjhnuwala** Non-Executive Director
Ms. Savita Gupta Non-Executive Director	**Mr. Deep Mishra** Non-Executive and nominee Director
Ms. Archana Capoor Non-Executive and Independent Director	**Mr. Sanjay Bhandarkar** Non-Executive and Independent Director

Place: New Delhi

Date: April 13, 2017

Signed by the Chief Financial Officer

Mr. Saurabh Mittal

Place: New Delhi

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by him in this Red Herring Prospectus about or in relation to him or his holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by

Mr. Himanshu Gupta

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by him in this Red Herring Prospectus about or in relation to him or his holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by

Mr. Dinesh Kumar Jhunjhnuwala

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by her in this Red Herring Prospectus about or in relation to her or her holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by her towards the Offer for Sale have been obtained, are currently valid and have been complied with. The undersigned Selling Shareholder assumes no responsibility for any other statement including the statements made by the Company or any other person(s) in this Red Herring Prospectus.

Signed by

Ms. Neerja Jhunjhnuwala

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by her in this Red Herring Prospectus about or in relation to her or her holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by her towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed on behalf of Ms. Nirmala Gupta by her power of attorney holder, Ms. Neerja Jhunjhnuwala

Ms. Neerja Jhunjhnuwala

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by her in this Red Herring Prospectus about or in relation to her or her holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by her towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by

Ms. Savita Gupta

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by her in this Red Herring Prospectus about or in relation to her or her holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by her towards the Offer for Sale have been obtained, are currently valid and have been complied with. The undersigned Selling Shareholder assumes no responsibility for any other statement including the statements made by the Company or any other person(s) in this Red Herring Prospectus.

Signed by

Ms. Ankita Gupta

Date: April 13, 2017

DECLARATION

The undersigned Selling Shareholder, hereby certifies that all statements and undertakings made by him in this Red Herring Prospectus about or in relation to him or his holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. The undersigned Selling Shareholder further certifies that other than as stated in this Red Herring Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by

Mr. Gaurav Kumar Jhunjhnuwala

Date: April 13, 2017

DECLARATION

Everstone Capital Partners II LLC confirms that all statements made by it in this Red Herring Prospectus in relation to itself and the Equity Shares being offered by it by way of Offer for Sale pursuant to the Offer are true and correct. Everstone Capital Partners II LLC assumes no responsibility for any other statement including statements made by the Company or any other person(s) in this Red Herring Prospectus.

Signed for and on behalf of Everstone Capital Partners II LLC

Authorised Signatory

Name: Mr. Fareed Soreefan
Designation: Director
Date: April 13, 2017