33rd Annual Report
2018-2019

KNOWLEDGE BEYOND BOUNDARIES

"KNOWLEDGE BEYOND BOUNDARIES"

Knowledge is invaluable – to both people and the development of society. Knowledge has no boundaries and is limitless. The model of education has reached an exciting phase where the information revolution has swept away the old format of learning. Navneet Education Limited (NEL) enables access to knowledge from education, learning and researched learning materials while bringing sustainable community development. The Company has earmarked its presence over the years and is inspired by its vision to provide the highest quality of educational products and services to students and customers.

Education not only builds one's life but also establishes a new world with greater positivity. Navneet Education Limited (NEL) speaks highly of spreading the thought that Knowledge is Beyond Boundaries, as knowledge can be acquired across different sources. At NEL, we constantly strive to create a global village of student community and provide innovative digital learning solutions.

Navneet Education Limited has strategically crafted to match internal competencies with the ever-evolving opportunities of a growing Indian market. Having said this, NEL has evolved itself into a robust, self-motivated and forward-looking company over the last few decades.

"Creativity is the key to success in the future, and primary education is where teachers can bring creativity in children at that level." - A. P. J. Abdul Kalam

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Forward-looking statements:

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make certain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

Board of Directors

Kamlesh S. Vikamsey (Chairman)
Gnanesh D. Gala (Managing Director)
Raju H. Gala (Joint Managing Director)
Bipin A. Gala (Whole time Director)
Anil D. Gala (Whole time Director)
Shailendra J. Gala (Whole time Director)
Atul J. Shethia (Whole time Director)
Mohinder Pal Bansal (Director)
Nilesh S. Vikamsey (Director)
Tushar K. Jani (Director)
Dr. Vijay B. Joshi (Director)
Usha Laxman (Director)

Company Secretary

Amit D. Buch

Chief Financial Officer

Deepak L. Kaku

Auditors

N.A. Shah Associates LLP
Chartered Accountants, Mumbai

Internal Auditors

Mahajan & Aibara
Chartered Accountants, Mumbai

Bankers

Kotak Mahindra Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.
DBS Bank India Ltd.
ICICI Bank Ltd.
HDFC Bank Ltd.
BNP Paribas
Yes Bank Ltd.
FirstRand Bank Ltd.
Qatar National Bank
Standard Chartered Bank

Registered Office

Navneet Bhavan,
Bhavani Shankar Road,
Dadar (West),
Mumbai – 400 028.

Corporate Identity Number

L22200MH1984PLC034055

Ahmedabad Office

Navneet House, Gurukul Road,
Memnagar
Ahmedabad - 380 052.

Works

- Village Dantali, Behind Kasturi Nagar
  Dist. & Tal. Gandhinagar Gujarat.
- Village Sayali, Silvassa
  Rakanpur, Taluka Kalol, Dist. Mehsana.
- Village Khaniwade
  Tal. Vasai, Dist. Palghar

E-mail

investors@navneet.com

Website

www.navneet.com

Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.
C - 101, 247 Park,
L.B.S. Marg,
Vikhroli (West),
Mumbai–400 083
Tel : +9122 49186000
Fax : +9122 49186060
E-mail - rnt.helpdesk@linkintime.co.in
Website - www.linkintime.co.in

CHAIRMAN'S COMMUNIQUÉ

Dear Shareholders,

At Navneet, FY2018-19 was a year of exceptional growth and excellence. While we made great progress in many areas of the business, we also laid the groundwork for what will be a multi-year strategic plan. The plan will center on how to better serve our customers, with a greater emphasis on quality of books.During the year, we have continued to introduce newer products to our portfolio, expand our reach across geographies and ensure greater commitments towards our customers.

The year 2018 witnessed extreme external situations arising out of rising oil prices, trade rivals between major global trading partners and the normalisation of monetary policies in the larger advanced economies have contributed to a significantly weakened global expansion. Following a notable tightening of financial conditions in late 2018, market sentiment rebounded in early 2019. As a result, the global growth is now projected to be at 3.6% in 2020. The outlook for emerging market and developed economies is expected to remain favourable. In 2018-19, the Indian government has taken several initiatives to improve the education and infrastructure sector. According to the latest UN report, Indian economy will grow to 7.1% in 2019-20 and it continues to remain the fastest growing economies of the world.

I would like to highlight that the company's financial performance for this year was a remarkable one. The company ended the year with a total revenue of ₹ 1,37,992 Lakhs; a growth of 19% and Profit after tax at ₹ 17,747 Lakhs.

The segments highlights are as under:

- Publication Revenues increased by 13.1% to ₹ 71,076 Lakhs.
- Stationery Revenues increased by 29.4% to ₹ 64,812 Lakhs.

We aim to strategically explore into new potentials, seizing new opportunities, implementation of emerging trends, synergising strengths and chasing perfection endlessly. The opportunities that lie ahead are significantly vast to ensure sustainable value creation for each of our stakeholders. Over the last six decades, your company has become the pioneers in the industry as we have worked hard to revitalise the company

By 2030, India should stand as the third-largest economy in the world and aspires to become a high-middle level country.

₹1,37,992 Lakhs	Total Revenue
₹17,747 Lakhs	Net PAT

"We aim to strategically explore into new potentials, seizing new opportunities, implementation of emerging trends, synergising strengths and chasing perfection endlessly"

as a promising and robust brand in the Educational content and Scholastic stationery sectors.

During the year, our exports contribution to our total revenues have increased exponentially as compared to previous years. With reduced competition from China and NEL being the preferred vendor overseas our products have witnessed steadfast growth in the scholastic stationery segment.

As a new age company, NEL focuses on enriching and providing an effective learning experience digitally. Indiannica Learning Pvt. Ltd. and eSense Learning Pvt. Ltd., aid your company to broaden its content business segment. In the year under review, the revenue from operations stood at ₹ 6,447 Lakhs and ₹ 2,330 Lakhs, respectively of these companies. The e-learning segments continues to scale up as more students are inclined towards digitized learning rather than the conventional form of learning. Internet penetration among the rural masses is set to increase in the coming years gearing up the performance of this segment.

We have always believed that healthy business can be built through consistent cash flows from the Company's core operations, and in the year 2018-19 this thought has strengthened amongst us and we have also successfully maintained our stability through our visions and strength.

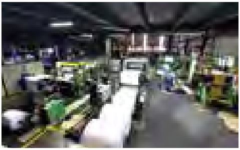
Moving forward, we continue to nurture our relationships with customers and employees. There is enthusiasm among the team to provide quality products to students at affordable prices.

As we continue our journey, we believe in creating better milestones by aligning ourselves with our core values and the preferences to be a part of building new India and create enduring value for our stakeholders.

Thank You,
Kamlesh S. Vikamsey
Chairman

OUR IDENTITY

Navneet Education Limited founded by the Gala Family is an educational syllabus-based content provider in Print & Digital medium, a manufacturer of Scholastic Paper stationery, a publisher of General & Children books and also has a wide range of Scholastic Non-Paper stationery products.



Over the years, the company has built a strong brand in the Educational Content & Scholastic Stationery gaining a leadership position. The company has a dominant market share of about 65% in western India. And, with a new range of supplementary books for students of CBSE and ICSE Boards, its educational products are now available across India.

MISSION

To provide students with best quality supplementary study material and curriculum text books at affordable price.

• • •

To harness the power of Information Technology and bring home its wonder to children through e learning.

• • •

To provide students with scholastic stationery products.

VISION

To provide the highest quality of educational products and services to customers in the language/medium of their choice.

• • •

CORE VALUES

Excellence

• • •

Proactive

• • •

Student Centric

• • •

Transparency

KEY FACTS

Students using Navneet products

35Mn+

5,500+

No. of Titles

Printing /Manufacturing Locations

3

5

Number of languages published

Number of subsidiaries

3

FY2019
EBITDA in Lakhs

INR
30,703

INR
87,196

FY2019
Networth
in Lakhs

FY2019
PAT in Lakhs

INR
17,747

INR
1,37,992

FY2019
Total Revenue in Lakhs

SEGMENTAL OVERVIEW

Content Publishing

- Curriculum
- Non-curriculum

Stationery

- Paper Stationery
- Non-Paper Stationery

E-Learning

- B2B
- B2C

Supplementary Books
Maharashtra & Gujarat

Text Books – CBSE/ ICSE
Pan-India

General & Children Books
Pan-India

Domestic
Pan-India

Exports
US, Europe, Africa & New Zealand

Outsourced & Sold
Pan-India

TOP Class, TOP Assessment
Maharashtra & Gujarat

Pendrives, CDs, Tablets, Mobile App
Maharashtra & Gujarat

OTHER BUSINESS

School Management

EVOLUTION OVER THE YEARS

1959

First Digest/Guide published for Std X

1970

Workbook Concept Introduced

1975

Published 21 Most Likely Question Sets

2008

Entered B2B Digital Learning space

2011

Ventured into School Management

2014

Entered B2C Digital Learning space

2016

New Stationery brand YOUVA launched, Acquired Indiannica Learning Pvt. Ltd. (earlier Encyclopaedia Britannica (India) Pvt. Ltd.)

Children Books Introduced

1990

BSE & NSE

First Educational Publisher to be listed on BSE and NSE

1994

Scholastic Stationery

1993

2017

Achieved Milestone Turnover of ₹1,000 crores, Introduction of premium stationery products under brand "HQ"

HQ

2018

Digital Assessment Platform for schools / children

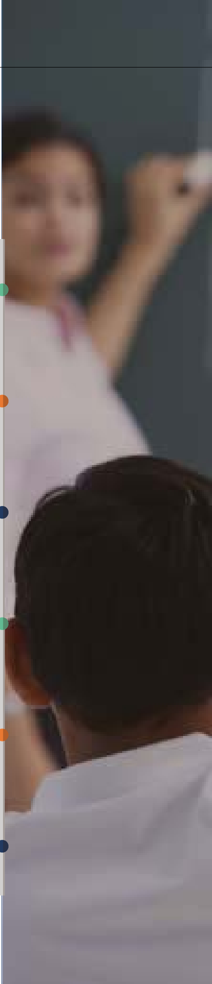
STUDY BUDDY

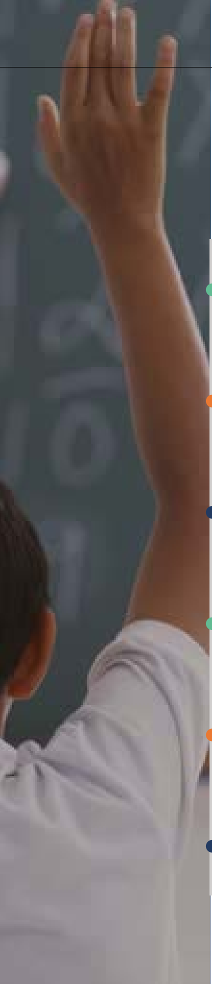
2019

Branded Stationery in UAE

JOURNEY SO FAR

No. of State Board Schools visited annually	25,000+
CBSE / ICSE Schools visited annually	8,500+
No. of Authors	300+
Presence in States for Supplementary Books	2
SKU's in Stationery	600+
Mediums /Languages for State Board Publications	5





350+ Hours of Digital Library

4,000+ Digital Classrooms

3,000+ No. of Employees

48,000+ Presence in Retail Outlets for Stationery in India

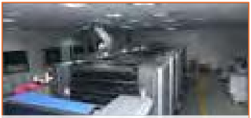
1 Lakh+ Tons Paper consumed

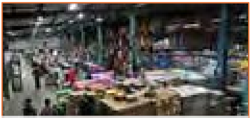
25+ Presence in Countries for Paper Stationery

FACTORY PREMISES

KHANIWADE

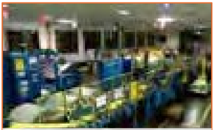

Aerial View

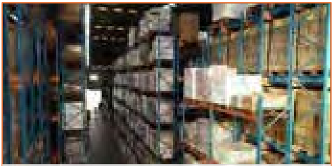

Heidelburg Color Printing Machine

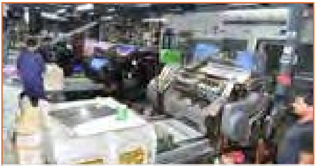

Inside View


Inside View


Web Rolling Machine


Web File Making Machine

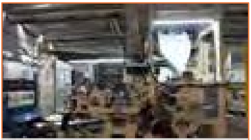

Finish Product Storage Area


Punching and Sewing Machine

DANTALI

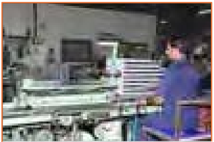
Inside View

Web Printing Machine

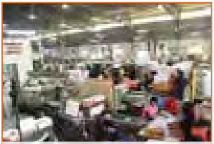


Web Printing Machine

SILVASSA



Binding Machine



Inside View

Inside View

Saddle Printing Machine

ECH WILL Rulling Machine

FINANCIAL HIGHLIGHTS STANDALONE

Particulars	2012-13	2013-14
Revenue from Operations	79,078	86,131
Other Income	337	352
Total Revenue	79,415	86,482
Interest	877	999
PBDT	18,608	19,570
Depreciation	2,000	2,201
PBT	16,608	17,370
Tax	5,501	6,052
Net Profit (PAT)	11,107	11,318
Other Comprehensive Income (Net of Tax)	-	-
Total Comprehensive Income (PAT + OCI)	11,107	11,318
Dividend	4,288	4,766
Dividend (%) - (Face Value at ₹2/-)	90	100
Book Value (Face Value at ₹2/-) *	18.6	21.0
Equity Capital	4,764	4,764
Other Equity	39,487	45,223
Gross Block	31,723	35,172
Net Block	16,954	18,487
Return on Net Worth (%) (Net Profit/ Networth)	25.1	22.6
Return on Capital Employed (Net Profit/ Capital Employed)	24.5	22.2
EBDITA Margin %	24.6	23.9
Pat Margin %	14.0	13.1
Current Ratio	1.71	1.63
Debt-Equity **	0.0	0.0
EPS (Post Tax) (₹2/- per share)	4.7	4.8
EPS (Pre Tax) (₹2/- per share)	7.0	7.3
CEPS (Post Tax) (₹2/- per share)	5.5	5.7
CEPS (Pre Tax) (₹2/- per share)	7.8	8.2
Dividend Payout % to Net profits	45.2	49.3
Market Cap (₹ in Cr.)	1,384.0	1,354.3

Notes:
* The figures are after considering the issue of Bonus Shares.
** Debt consist of Long term borrowings.
The figures are ₹ In Lakhs except for EPS, CEPS, Book Value & figures in %

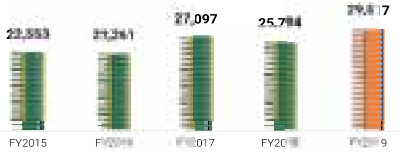
2014-15	2015-16	2016-17	2017-18	2018-19
96,007	93,390	1,08,941	1,13,224	1,36,054
346	1,908	2,392	2,921	1,938
96,353	95,298	1,11,333	1,16,145	1,37,992
910	910	910	597	1,186
22,553	22,261	27,097	25,794	29,517
2,819	2,676	2,499	2,349	2,446
19,734	19,585	24,598	23,445	27,071
6,781	6,971	8,434	8,124	9,324
12,952	12,614	16,163	15,322	17,747
32	12	(49)	(470)	392
12,984	12,626	16,115	14,852	18,139
5,241	5,241	5,839	3,503	2,289
110	110	125	75	50
23.7	26.4	31.1	34.6	38.1
4,764	4,764	4,671	4,671	4,577
57,900	57,634	67,889	76,170	82,619
36,071	39,205	40,220	42,925	42,925
16,947	17,692	16,795	17,457	17,326
20.7	20.2	22.3	19.0	20.4
20.4	19.8	21.9	18.6	20.4
24.4	24.8	25.7	23.3	22.6
13.5	13.5	14.8	13.5	13.0
2.78	3.18	2.58	2.58	2.04
0.0	0.0	0.0	0.0	0.0
5.4	5.3	6.8	6.6	7.7
8.3	8.2	10.3	10.0	11.8
6.6	6.4	7.8	7.6	8.8
9.5	9.3	11.4	11.0	12.9
48.7	50.0	43.5	27.5	15.5
2,364.3	1,995.1	3,795.3	3,335.2	2,494.7

FINANCIAL MOMENTUM

REVENUE
(₹ in Lakhs)

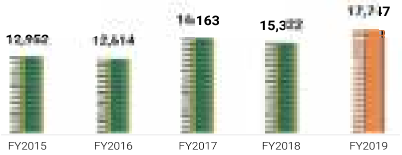
9.4%
CAGR

PBDT
(₹ in Lakhs)



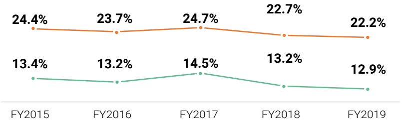
7.0%
CAGR

PAT
(₹ in Lakhs)



8.2%
CAGR

PBDT & PAT Margins
(%)

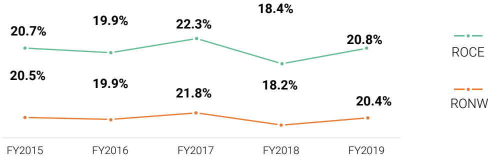


PBDT Margin

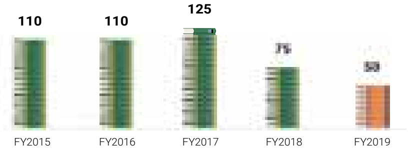
PAT Margin

Net Worth
(₹ in Lakhs)

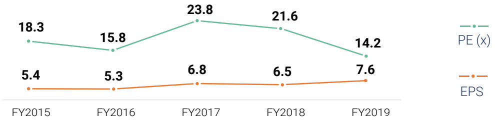
ROCE & RONW
(%)



Dividend
(%)



PE (x) & EPS
(in ₹)

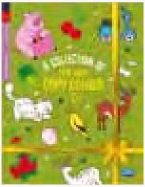


OUR PRODUCTS

CHILDREN'S BOOK

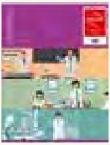




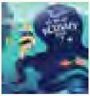
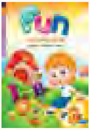
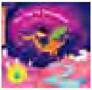



STATIONERY

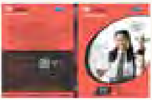


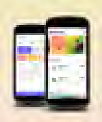




PRE-SCHOOL

eLEARNING

E-SENSE

eSense
Ensuring Success

TOPClass™

TOPScorer App™
Fun. Learn. Score. More.

STUDY BUDDY™

20,000+
Teachers trained

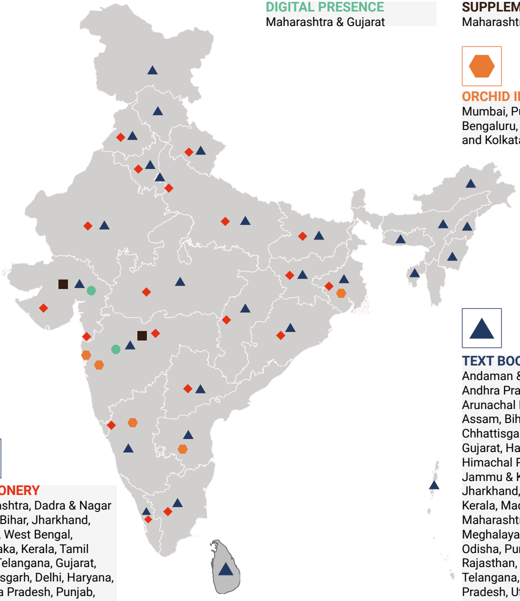
1,20,000+
Students learning through Top Class

150+
Team of authors, Illustrators and animators

15,000+
Videos

2,00,000+
MCQs

NAVNEET'S PRESENCE



DIGITAL PRESENCE
Maharashtra & Gujarat

SUPPLEMENTARY BOOKS
Maharashtra & Gujarat

ORCHID INTERNATIONAL
Mumbai, Pune, Bengaluru, Hyderabad and Kolkata

TEXT BOOKS
Andaman & Nicobar, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand, West Bengal and Sri Lanka

STATIONERY
Maharashtra, Dadra & Nagar Haveli, Bihar, Jharkhand, Odisha, West Bengal, Karnataka, Kerala, Tamil Nadu, Telangana, Gujarat, Chhattisgarh, Delhi, Haryana, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand

GLOBAL PRESENCE

International Customer Profile

1. Canada
2. United States
3. Mexico
4. Jamaica
5. Puerto Rico
6. Honduras
7. Costa Rica
8. Panama
9. Norway
10. Sweden
11. Denmark
12. Germany
13. United Kingdom
14. Ireland
15. Spain
16. Turkey
17. Ethiopia
18. Kenya
19. Rwanda
20. Tanzania
21. Zambia
22. Madagascar
23. South Africa
24. New Zealand
25. UAE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AWARDS & ACCOLADES

FMB for Outstanding Performance

Financial Express CFO Award

OHSAS 18001:2007 for Occupational Health & Safety Managment System Certificate

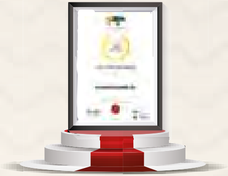
CII - 5S Excellence, Silvassa

ISO 9001:2008 for Quality Management System

CII - 5S Excellence, Khaniwade

Forest Stewardship Council Certificate

eSense Service Excellenc



CSR Leadership Award

CII - Gold Level, Khaniwade

CII - Gold rating as per CII National 5S Excellence, Khaniwade

ISO 14001:2004 for Environmental Management System Certificate

Platinum Level Warehouse, Khaniwade

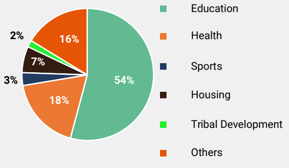
Gold Level Warehouse, Silvassa

COMMITTED TO CREATE A DIFFERENCE

Navneet Education Limited contributed to towards its commitment to the development of the society. The emphasis was on providing quality education and improves access to health and medical care to the unreached and deprived communities. Providing excellent infrastructure and facility for development in sports is also a priority for the organisation. Programs were implemented through partner organisations.

The implementing partners of NEL are Navneet Foundation, Shree Kutchi Visha Oswal Seva Samaj, SOS Children's Village of India, Kutch Yuvak Sangh – Mumbai, Shri K.V.O. Jain Manav Kalyan Kendra Dahisar, Tribal Integrated Development & Education Trust, Shri Poona Kutchi Jain Samaj, Shree Mahavir Jain Charitrya Kalyan Ratnashram, Silvassa-Civil work for health centre (CSR activity), Sheth Dhanji Devshi KVO Kelvani Fund, Tarun Mitra Mandal.

Sectors Supported



SOS CHILDREN'S VILLAGE – EDUCATION SUPPORT PROGRAM

Life skill education session

Educational Field Visit

Children participating in Drawing competition

Children attended schools and excelled in exams with help of tuition classes. Life skills education was imparted for holistic development of children. Participation in competitions and extra-curricular activities helped improve self-confidence amongst children. This year, 10 children from SOS village in Kutch were provided with support for education. These orphaned or single parent children live in homes of SOS Village with house mothers. The family structure provides healthy environment for the development of children.

NASHIK RUN CHARITABLE TRUST – SPORT PROGRAM



More than 15,000 runners participated in the run that supports shelter for the old and destitute, shelter for women, education and training for the mentally challenged, training for the blind, care for orphans, skill center for the less able etc.

NAVNEET FOUNDATION – SPORTS DEVELOPMENT


18 players at Bhavnagar Tour with manager & coach

Youth talents in cricket are groomed through particcipation in domestic matches and tounaments. More than 350 members (girls and boys) participate in tournaments organised thrice every week throught the year. In each tournament, about 25 players participate. Lifeskills such as discipline, healthy food routine, time management, and enviroment sensitivity and care are part of the training.

TRIBAL INTEGRATED DEVELOPMENT & EDUCATION TRUST



Tribal development programs in Dharampur and Kaprada, Valsad included accessibility to paramedic services that were availed by 24,000 patients. Economic empowerment for 5,072 women through distribution of vegetable seeds and fruit plants for agriculture employment generation. Reached out to 3,15,000 villagers in 289 villages through 7 centres.

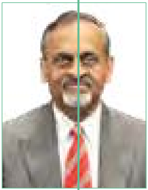
BOARD OF DIRECTORS

Shri Kamlesh S. Vikamsey
Chairman

Qualification :
Chartered Accountant

Date of Birth :
06 December 1960

Director wef :
30 May 1992



Professional Career

He is a qualified Chartered Accountant with over 35 years of experience in Accounting & Finance, Taxation, Corporate and consulting services and has been a part of various advisory and expert committees at national and international levels. Currently he is the Chairperson of the Audit Advisory Committee of UNICEF, USA, member of Audit Committee of World Meteorological Organisation (WMO), Geneva, Switzerland and also member of National Advisory Board Manav Sadhan Vikas Sanstha. He is the past Chairperson of the External Audit Committee of International Monetary Fund, USA.

Shri Gnanesh D. Gala
Managing Director

Qualification :
B. Com.

Date of Birth :
02 January 1963

Director wef :
01 June 2013

Professional Career

He heads key areas of finance, taxation and legal of the Company and has over three decades of experience in the corporate world during which he forged the strengths of the Company.

Shri Raju H. Gala
Joint Managing Director

Qualification :
Diploma in Printing Technology

Date of Birth :
01 July 1963

Director wef :
01 June 2013

Professional Career

He has over three decades of experience in purchase and marketing and heads the marketing department for the Company's Gujarat operations.

Professional Career

He oversees all matters pertaining to maintenance of old and setting up of new estates and plants of the Company.

Shri Bipin A. Gala
Whole time Director

Qualification :
Diploma in Printing Technology

Date of Birth :
22 December 1950

Director wef :
01 June 2013

Professional Career

He has over three decades of experience and has mastered the fine art of publishing, its myraid from content creation to printing, marketing, sales and distribution. He has been instrumental in creating over 500 titles published by the Company.

Shri Anil D. Gala
Whole time Director

Qualification :
B. Com.

Date of Birth :
03 April 1957

Director wef :
01 June 2013

Professional Career

He has over two decades of experience in marketing of stationery products of the Company. His key role is product development, designing, manufacturing, sales and marketing of stationery products.

Shri Shailendra J. Gala
Whole time Director

Qualification :
B. Com.

Date of Birth :
21 January 1969

Director wef :
01 June 2013

BOARD OF DIRECTORS

Shri Atul J. Shethia
Whole time Director

Qualification :
AICWA

Date of Birth :
03 July 1967

Director wef :
01 June 2013

Professional Career

He has a rich experience of over two decades in the field of production planning and operations of the stationery manufacturing units of the Company.

Shri Nilesh S. Vikamsey
Non-Independent &
Non-Executive Director

Qualification :
Chartered Accountant, DISA

Date of Birth :
16 August 1964

Director wef :
01 June 2013

Professional Career

He is a senior partner in one of the reputed Chartered Accountancy firm. He is immediate past President (2017-18), elected member of the Central Council, the Apex decision making body of the Institute of Chartered Accountants of India(ICAI). He is a Chairman & a Member of various committees of ICAI and also member of various other committee constituted by Government bodies. He has over two decades of experience and expertise in the field of audit, management consultancy, special audits, due diligence, corporate restructuring valuation, strategic planning, mergers and amalgamation.

Shri Mohinder Pal Bansal
Independent Director

Qualification :
Chartered Accountant

Date of Birth :
08 May 1957

Director wef :
01 June 2013

Professional Career

He has over 25 years of experience in M&A, Strategic Advisory, Capital Markets, a portfolio company integration as well as past acquisitions performance management in India, Asia & Europe. He has a significant hands on operational experience in conducting due diligence structuring & negotiating transactions.

Professional Career

He is an Innovative Entrepreneur with over three decades of experience in corporate world. He is the past Chairman of Maharashtra State Council of CII. He has envisioned, founded and mentored numerous companies. He is Founder Ex-Chairman of Blue Dart Express Ltd.

Shri Tushar K. Jani
Independent Director

Qualification :
B. Sc.

Date of Birth :
29 April 1953

Director wef :
24 June 2010

Professional Career

She has over 25 years experience in the field of education she was the educational head of a playschool & nursery of an NGO. Besides, she has experience of handling marketing in India & whole of Asia for software consulting solutions.

Smt. Usha Laxman
Independent Director

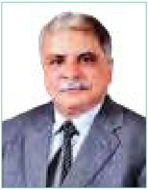
Qualification :
B. Com.

Date of Birth :
08 January 1958

Director wef :
11 August 2014

Professional Career

An eminent Academician with vast experience in academic and administrative functions in higher education space and been nominated on various Governing Bodies of Universities and higher education institutes. Has served as Dean faculty of Science and Technology at University of Mumbai and has implemented innovative need-based changes in curricula and evaluation across science and technology subjects. He was nominated by Hon. Chancellor on the Academic Council of University of Mumbai and has served on many committees. Has served as Chief Consultant and Joint Director (In Charge) at Rashtriya Uchchatar Shiksha Abhiyan (Maharashtra). He is a pioneer in establishing academic autonomy in higher education. He was instrumental in transforming K.J. Somaiya College of Science and Commerce (Autonomous) during his tenure as a Principal. As a researcher, he has published research papers and delivered sessions at national and International conference.



Dr. Vijay B. Joshi
Independent Director

Qualification :
M.Sc., Ph.D.

Date of Birth :
12 April 1957

Director wef :
31 October 2013

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy:

In 2018, global economic activity was accelerating in almost all regions of the world which was projected to grow at 3.9%, but the outlook has turned less promising in 2019. The world economy has shown relatively weaker potential due to an escalation of US-China trade tensions, Geo-political tensions in the Middle East, continued and on-going uncertainty on Brexit, major disappointments on economic growth in some of the large countries such as Germany and Macroeconomic stress in Argentina and Turkey are threatening growth. There are also significant headwinds for Globalisation and Integration of the World Economy as the popular mood has turned decisively negative because of job losses and increased income disparities in several countries.

Outlook:

While 2019 started out on a weak footing, a pickup is expected in the second half of the year. This pickup is supported by significant policy accommodation by major economies, made possible by the absence of inflationary pressures despite closing output gaps. Beyond 2020, global growth is set to plateau at about 3.6% over the medium term, sustained by the increase in the relative size of economies, such as those of China and India, which are projected to have robust growth by comparison to slower-growing advanced and emerging market economies.

Indian Economy:

The Indian economy started the fiscal year 2018-19 with a healthy 8.2% growth on the back of domestic resilience. Growth eased to 7.3% in the second half due to rising global volatility, largely from financial volatility, externalities from trade disputes, and investment rerouting.

The projected economic growth in India is likely to be in between the range of 7.2% to 7.5% in the fiscal year 2019-20. A sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructural developments from the Government could be the contributing factors in providing further impetus to economic growth in FY 2019-20. By 2030, India should stand as the third-largest economy in the world and aspires to become a high-middle level country. India is projected to be the fifth largest by 2020. Interestingly, it has already surpassed France to be the sixth-largest economy in the world.

Over the next few years, India is expected to grow over 7% per year, with progress being buttressed by dynamic reforms in the macroeconomic, fiscal, tax and business environments. The government of India has taken various initiatives to strengthen the economic base of the country and make it one of the strongest economies in the world. The Interim Union Budget for FY 2019-20 has focused more on the rural economy, healthcare, education and infrastructure.

Industry Analysis:

Education Sector: An Industry Overview

The past decade has witnessed tremendous changes in technology to empower the overall education sector, which resulted in the development of efficient and cost-effective products and services with superior customer service. New technological innovations in the educational process enable better decision plans, faster turnaround times, more excellent responsiveness to customer demands and improved product design and quality.

Globally, many educational institutions are established to fulfil the goal and increase the importance of higher education. The traditional form of schooling has been changed from one-way communication to two-way communication in the 21st century through skills like language learning, technology and cross-cultural understanding. Developed countries in the world, such as the US, UK and Japan are at the forefront in adopting advanced technologies. It is predicted that the higher education market will reach to more than 12% CAGR by 2023. Basic digital infrastructure is a key driver of education and advanced technology that will push the market growth during the forecast period. The availability of an essential infrastructure that offers technical support to staff and students is critical to the successful implementation of online learning and teaching in institutions across all levels. In addition, the academic institutions across the world are providing off-campus licenses for software, repositories for courses and study materials and online course catalogues. This has resulted in a wider acceptance of digital medium for learning, giving a further boost to the growth of the education technology market. Education has attained a key position in acquiring knowledge both at global and national level.

In the wake of this reality, the Indian education system should, therefore be able to produce a workforce which is globally competitive and thus, reap its demographic dividend. Over the last two decades, India has remarkably transformed its higher education landscape.

Publication Industry:

Books plays a significant role as an important source for the development and promotion of human values. In India, the Publishing industry is accounted among the top seven publishing nations in the world. India ranks third after the US and UK in English language publishing with an overall market of ₹10,000 crores.

Digital age has changed the way the entire industry works. Through skilled manpower resource and advanced technology, India has become the major outsourcing hub for and international markets. Presently, India produces ~90,000 new books a year in 24 languages including English.

Academic & Supplementary Books Industry:

India's book market is accounted as the sixth largest in the world and the second largest for the English language, and the sector is expected to reach ₹739 billion by 2020 from current ₹261 billion. As per Nielson India Book Market Report in 2015, Industry can estimate CAGR (Compounded Annual Growth Rate) of 19.3% for the industry in the next five years. Overall, the academic and supplementary book industry in India is growing at a rapid rate and thus leading the book producers and manufacturers to a better place.

K-12 Market:

Indian K-12 education market has exhibited outstanding performance in the world with ~260 million students enrolled. It provides a holistic and enjoyable experience to school going children to understand basics of education. The K-12 system of education ensures to provide basic elementary education to children from kindergarten to 12th grade. Globally, many countries have made the adoption of this system mandatory. In India, schools are willingly accepting K-12 model of education to align with the concepts of 'Sarva Shiksha Abhiyan' (education for all) and the 'Right To Education' (RTE) resulting in system being broadly accepted by both Government and Private schools in dispensing education to all children. K-12 is the method of categorising the entire tenure of school student's journey into three phases — Kindergarten, Middle and Senior sections.

At present, there are around 1.5 million K-12 schools in the country, out of which Central and State Government administers 54%, 21% managed by local authorities/ municipal corporations and 25% by the private sector. All the boards including CBSE, CISCE, State Boards, IB and other international boards like IGCSE, CIE and many others. are affiliated to the K-12 system. The purpose of the K-12 model is to systemise the distribution of education across all ages until children go to college. The various kinds of segmentation like level based, board based or ownership based serve to meet the specific needs of students. K-12 aims to personalise education by making it more concentrated on relevant needs.

E-Learning:

The internet has gripped everyone's imagination, and it continues to evolve its value creation in India; irrespective of the age demographic, there is a constant desire to keep once with the latest internet trends. With digital literacy on the rise, the last few years have witnessed significant mobile and internet penetration in every corner of India. Technology is enabling the education system to explore new dimensions effectively and efficiently, as it allows personalised learning, builds capacity and drives decisions based on real-time data. Technology impacts three core issues of the education sector - access to quality education, active learning and personalisation. India's online education industry is expected to grow exponentially to touch the US $1.96 billion by 2021. This growth will be backed by a phenomenal rise in the paid user base for online education, which is expected to reach 9.5 Mn users by 2021. Rising internet penetration and technological advancements are largely facilitating the rapid evolution of the education sector in India. Increase in income and willingness to spend on education are the key driver for the growth of Indian education industry. Government has also started taking initiatives of installing digital classrooms in selected schools as a pilot project and distributed tablets in chosen areas to understand the impact of technology in Education. Schools, as well as teachers, are moving forward to accept the digital platform to learn and teach. Being user-friendly, more and more schools, teachers and students are moving forward to accept, teach and learn through digital platforms. E-Learning aided by advanced technologies would meet the additional requirements and reduce the supply gap.

Source: KPMG Report

Risk & Challenges

Content Market Highly Competitive:

The education system in India is evolving so as the content for learning. The content learning materials required by the state-affiliated schools are different from the central board giving rise to the demand for exclusive and unique content.

While the demand for a sophisticated and advanced content grows, it gives rise to a number of authors and publishers in the market who can provide competitive, high-quality content and this can pose as the major threat to the Company business operations.

Raw material prices:

The prices of raw materials are becoming unstable, and it may result in increase in the cost of production, thereby compelling the Company to re-align the prices in order to manage the risk.

State Education policy:

The state government of Maharashtra has decided to levy a license fee for the usage of its print and digital content(s) which will be utilized for education related purposes. The authorised users have a limited and a non-exclusive right to prepare and publish supplementary books materials. Any drastic change in license fees or non-issuance of license can have a certain risk for supplementary book business.

Navneet Education Limited:

Company Overview

In 1959, the Gala group ventured into publishing of supplementary books under three brand names, i.e., "Navneet", "Vikas" and "Gala". Later in 1993, all the three brands were consolidated under one company with the brand name "Navneet Education Ltd. (NEL)

NEL is one of the well-known publishers, and the Company has been publishing various supplementary books in the states of Maharashtra and Gujarat. Under the brand, 'Grafelco', the Company has been successfully publishing textbooks and extracurricular activity books and providing textbooks for CBSE and ICSE students under the 'Indiannica'. After entering the digital space, Navneet Education Ltd. has been providing various digital products under the brand 'Top Scorer'.

Navneet Education Ltd., aims to have strong footprints in other countries as well due to which the Company manufactures various scholastic stationery and exports it. Scholastic stationery is also available for the domestic market under the brand 'Youva'.

'Orchids The International School' is a part of NEL a school management company which manages 25 CBSE schools under one brand.

Key Competitive Advantages

K-12 Techno Services:

Indian education has transformed with the introduction of the K-12 education system in India. In this system, there is involvement of more teacher-student communication. Many schools are coming up with innovating ideas of teaching to facilitate active learning among students.

The content and resources of teaching play a vital role in enabling students to understand different aspects of the subjects.

Publication Content Segment:

Changes in the syllabus are one of the key building blocks of NEL publishing business as it lets students buy new books as per the revised syllabus by the State Education Boards. NEL has a strong footprint in Maharashtra and Gujarat and is also gradually expanding the business to the other states of the country. With the rapid growth of CBSE affiliated schools and the demand for unique and sophisticated learning content is expected to boost the business operations for the Company. Many English medium private SSC schools across the country have elevated the standards of teaching and have been using private publishers' textbooks up to the VIII grade.

Our Strategy

To improve its performance, the Company has initiated a strategic turnaround plan, focused on strengthening the core business by enhancing the customer value proposition; improving profitability through an aggressive expense management program, which will be used to fund growth initiatives; accelerating execution through simplification; and innovating for the future, which will position the Company for long-term growth.

Robust increase in exports for the stationery segment:

Improved standard of living and transition to the premium quality of products has given rise to NEL's growth in the stationery segment. Over the last decade, the Company's access to the number of schools has also increased.

NEL exports its various products to many countries including, Europe, Africa and the Middle East. Through the years, it has become the most preferred vendors for scholastic stationery as the Company ensures to deliver quality customised products, timely delivery and competitive preference over other exporting countries.

Indiannica Learning Pvt. Ltd providing an opportunity in PAN India:

Indiannica Learning Pvt. Ltd creates products that foster exploratory learning and it perfectly complements NEL's supplementary publishing business. Indiannica Learning Pvt. Ltd. not only allows the Company to explore newer geographies but also assists NEL in expanding its product portfolio and stand ahead in the fast-growing curriculum based CBSE/ ICSE publishing.

The acquisition of Indiannica Learning has given way for NEL to expand its footprints in different geographies while making it pan-India player with a strong foothold in the CBSE curriculum. NEL plans to publish all the existing India-specific syllabus titles such as 'Know for Sure' and 'The English Channel' and publish textbooks for the CBSE board.

For the last six decades, NEL has been the dominant state board publisher in Maharashtra and Gujarat, which only constitutes to 2-3% of the overall revenue of Indiannica Learning. With transition from state boards to CBSE & ICSE boards in the states of Maharashtra & Gujarat taking place, NEL will remain as the stay as the key beneficiary of this trend and it will also be largely benefitted from Indiannica's presence in 25 states with a strong foothold in Delhi, Punjab, Rajasthan, Haryana and Uttar Pradesh.

Our Strategy

To strengthen its business, Indiannica is enhancing this customer value proposition by improving its product/SKU mix, enhancing the overall experience and relationships with the Schools, increasing the value of its Content and improving its omni-channel capabilities. Indiannica will leverage the strength of its brand, knowledgeable booksellers, vast book selection and to attract Schools and grow sales. Merchandising initiatives are focused on increasing the impact of promotional activities, narrowing product assortments, improving SKU productivity, improving inventory management processes and remerchandising select SKU's. The Company is focused on simplification throughout its organization to create efficiencies and reinvest resources to support sales growth. The Company is also committed to right sizing its cost structure.

Learning through Digital Innovations:

Students choose online learning due to the wide variety of advantages it offers. NEL, through its digital classroom product 'Top-Class', has transformed the standard teaching and learning into a digital room that enhances the learning process involving more senses. There are more than 4,000 schools that consider 'Top-Class' as the most preferred product.

Another digital product from NEL, 'Top-Scorer' lets students learn through Audio-visual mode. Since teachings take place in such a format, it brings more clarity to the learners. Along with a unique teaching feature, Top Scorer also provides practice test papers and analytics that lets students be exam ready. Interestingly, Top Scorer is the only platform that has an animation or visual for every line in the text books and thus providing a better understanding of the concepts while letting them score better marks.

To assess the child's progress and reinforce academic excellence, NEL's 'Top-Assessment' plays a crucial role. This platform is student-centric and lets themselves engage in group discussions and continuously evaluated while making students become exams ready. Additionally, 'Top-Assessement' adds a new dimension to the teaching style while helping teachers reinforce learning with the power of technology.

Our Strategy

The underlying strategy of the e-Learning Business is to offer customised Learning and Interactive solutions, anytime and in multiple ways. The Company remains committed to delivering to customers the best digital products, providing easy access curriculum based learning, while rationalizing its existing cost structure.

Navneet Education Segment Performance:

Content Publishing Segment:

In the FY2018-19, NEL's publishing segment revenue increased by 13.1%, which was ₹71,076 Lakhs as compared to ₹62,821 Lakhs in FY2018. The segment grew due to the change in the syllabus in the states of Maharashtra and Gujarat. The segment would witness steady growth in the coming years on account of syllabus change.

Stationery Segment:

Stationery segment surged by 29.4% YoY over the previous year from ₹ 50,096 Lakhs to ₹ 64,812 Lakhs in 2018. The Export business majorly contributed the growth. The stationery exports grew at the rate of 60 % during the year. In the future, the Company shall strive to focus on the exports business and build a and strategic relationship with international markets, which will help the Company accelerate towards the next level.

Net Profits:

NELs Net Profit for FY2018-19 is ₹17,747 Lakhs as compared to previous years ₹15,321 Lakhs.

Subsidiaries & Associates

Investment in School Management Company:

"Orchids The International School" is now an established player in the direct education business which Navneet owns through its stake of 35% in associate Company "K12 Techno Services Pvt. Ltd." The 25 schools now have an occupancy of 24,000+ students over five different locations across the country. Going forward, the Company plans to expand schools under its management.

E-Learning Segment:

The revenue of your Company's subsidiary eSense Learning Private Limited stood at ₹2,330 Lakhs for FY19 as compared to ₹1,730 Lakhs in the previous year. The loss of the Company decreased to ₹113 Lakhs in FY19 as compared to the loss of ₹510 Lakhs in the previous year. The subsidiary company continues its focus on scaling up the quality of revenues with reducing the share of hardware revenues and focusing on B2B model for sustainable growth.

Indiannica Learning Pvt. Ltd.:

The revenue of the subsidiary stood at ₹6,447 Lakhs for FY19 as compared to ₹5,740 Lakhs in the previous year. The company posted a loss of ₹2,865 Lakhs in FY19 as compared to Loss after tax of ₹1,939 Lakhs during the last year. The Company has restructured the operations and spent a significant amount of money on the development of new titles, the benefit of which will be seen over the upcoming years.

Dividend Policy:

The company has recommended a dividend of ₹ 1/- (50%) per share for the financial year 2018-19. The dividend so declared works out to about 15.54% (including dividend distribution tax) of Net Profit.

Profitability:

NEL ended the financial year on a positive note with pre-tax profits of ₹ 7,071 Lakhs and post-tax profit of ₹17,747 Lakhs against ₹23,445 Lakhs and ₹15,321 Lakhs respectively in the previous year. NEL always focuses on maximizing the wealth of investors. With a continued focus on controlling costs and maintaining a comfortable debt-equity ratio, the Company is witnessing improved profitability and believes in sustaining the same in the coming years.

Five Year's Dividend history:

Financial Year	Dividend (%)	Profit after tax (₹ in Lakhs)	% of PAT (Inc DDT)
2018-19	50 (Recommended)	17,747	16
2017-18	75	15,321	29.41
2016-17	125	16,163	46.47
2015-16	110	12,780	49.35
2014-15	110	12,930	48.79

Credit Rating:

During the year under review, CRISIL has reaffirmed CRISIL A1+ (pronounced CRISIL A one Plus) rating on ₹ 200 crore Commercial Paper of the company. The instruments with this rating are considered to have a very strong degree of safety regarding timely payment of financial obligations. During the year under review CARE Ratings has reaffirmed CARE AA+ Stable (Double A Plus) for the company's long-term bank facilities and CARE A1+ (A One plus) for its short-term bank facilities. The bank facilities covered with this rating are considered to have a very strong degree of safety regarding timely payment.

Five Year's Financial Performance:

(₹ in Lakhs)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue	96,194	95,298	111,333	116,145	137,992
Operating Expenses	72,663	72,689	83,889	89,753	107,289
EBITDA	23,531	22,609	27,444	26,392	30,703
EBITDA Margin	24.4%	23.7%	24.6%	22.7%	22.2%
Depreciation	2,819	2,676	2,499	2,349	2,446
Capital Employed	57,240	63,777	74,077	82,205	88,737
EBIT	20,712	19,933	24,945	24,043	28,257
ROCE	20.5%	19.9%	21.8%	18.2%	20.4%
PAT	12,930	12,626	16,163	15,322	17,747
Networth	56,377	62,398	72,560	80,841	87,196
ROE	23%	20%	22%	19%	20%

Risk Management:

Navneet Education Limited (NEL) continues to follow a well-structured risk management framework, which is based on three main aspects, such as enterprise risks, process risks and compliance risks.

(i) Enterprise risk management ensures that the Company continues to evaluate the potential risk and also works towards eliminating those risks.

(ii) In the Process risk management, the internal audit department of the Company assures the effectiveness of the business and financial controls and processes in all key activities across the various businesses.

(iii) Compliance risk management comprises a detailed mechanism of assurances with respect to adherence of all the laws and regulations, with a comprehensive reporting process that cascades upwards from the accountable business line executives to NEL's Audit Committee and then on to the Board of Directors.

The outcomes of the business review meetings conducted by management and internal audit regarding processes and their compliance, as well as observations of the Audit Committee and the Board of Directors are continuously incorporated to capture new risks and update the existing ones. The risk management process generally includes tracking and adherence, and it is significantly e-enabled to have improved reporting capacities and better consistency. Besides, all the three dimensions of NEL's Risk Management framework are reviewed on a yearly basis for their relevance and goes through modifications, as required. The businesses and internal audit ensure to make regular presentations to the Audit Committee for a detailed review.

Foreign Exchange:

To broaden the exposure to movements in foreign exchange rates, NEL uses foreign exchange forward contracts. Foreign exchange forward contracts help in reducing the cost of the Company, and it does not use these for trading or speculation purposes.

Corporate Social Responsibility:

The Company has a well-established committee for carrying out the CSR activities. NEL contributes area of Healthcare, Education, Disaster Relief and Animal Welfare. During FY 2018-19, the Company has contributed ₹776 Lakhs towards CSR projects.

Geographical Presence:

The company witnessed great potential in the export of the products in 1993 and today NEL is a leader in premier stationery in markets like the USA, Africa, Europe and the Middle East. The Company has established state-of-the-art manufacturing facilities in Virar (near Mumbai), Guma and Silvassa (Union Territories bordering Maharashtra and Gujarat) and is one of the largest paper stationery brands in India.

Internal Controls:

NEL has an effective and efficient internal control system, which plays a crucial role in the growth of the business. The internal control system of the Company reviews various divisions, sales operations and corporate headquarters.

Annual internal audit scope covers key areas of operations identified by a team of experts. Each of which is vetted by statutory auditors, Audit Committee and the Board, which is being monitored every quarter and occasionally between successive quarters of the significant internal audit observations, compliance with statutes, risk management and control systems. The Audit Committee assesses the suitability and effectiveness of inputs provided by internal auditors and suggests ways to improve and strengthen the internal controls from time to time.

NEL ensures to deploy a well-articulated internal control system that provides reasonable assurance with regards to the maintenance of adequate internal controls, monitoring different operations, safeguarding assets and regulatory compliances. The use of SAP ERP has further enhanced the internal control mechanism over the years.

Industrial Relations:

In a challenging business environment, we had maintained cordial industrial relations and our strong workforce remained positive throughout. The Company had approx. 2,700 employees as on 31st March 2019.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Management has based these forward-looking statements on its current expectations and projections about future events. The management of NEL has prepared and is responsible for the financial statements that appear in this report. These are in conformity with accounting principles generally accepted in India and therefore, may include amounts based on informed judgements and estimates. The management also accepts responsibility for the preparation of other financial information that is included in this report. Such statements involve known and unknown risks significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs and may cause actual results to differ materially.

NOTICE

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of Navneet Education Limited will be held on Wednesday, 24th July, 2019 at 10.30 a.m. at M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001 to transact the following business:

ORDINARY BUSINESS

1) To receive, consider and adopt the:

   (a) Audited Financial Statement of the Company for the Financial Year ended 31st March, 2019 including the Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss for the year ended on that date together with the Reports of Board of Directors and Independent Auditors thereon; and

   (b) Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2019 including the Audited Consolidated Balance Sheet as at 31st March, 2019 and the Consolidated Statement of Profit and Loss for the year ended on that date together with the Report of Independent Auditors thereon.

2) To declare a dividend for the Financial Year ended 31st March, 2019.

3) To appoint a Director in place of Shri Bipin A. Gala (DIN:00846625), who retires by rotation, and being eligible, offers himself for re-appointment.

4) To appoint a Director in place of Shri Anil D. Gala (DIN:00092952), who retires by rotation, and being eligible, offers himself for re-appointment.

5) To appoint a Director in place of Shri Kamlesh S. Vikamsey (DIN:00059620), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

6) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   “RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and / or enactment(s) thereof for the time being inforce), Shri Mohinder Pal Bansal (DIN:01626343) be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years, on the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubts, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution.”

7) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   “RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or enactment(s) thereof for the time being inforce), Shri Tushar K. Jani (DIN:00192621) be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years, on the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubts, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution.”

8) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or enactment(s) thereof for the time being inforce), Smt. Usha Laxman (DIN:02765647) be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years, on the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubts, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

9) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or enactment(s) thereof for the time being inforce), Dr. Vijay B. Joshi (DIN:06705634) be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term of five (5) consecutive years, on the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubts, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

10) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons related to promoter(s) (hereinafter individually and jointly referred to as the 'applicants') as per clause (pp) of sub - regulation (1) of regulation 2 of Securities and Exchange Board of India (Issue of Capital and Disclosure Regulations) Regulations, 2018 forming part of the Promoter Group from 'Promoter & Promoter Group Category' to ' Public Category'.

Sr. No.	Name of Shareholder	No. of shares held	% of Paid up Capital
1	Jigna Nilesh Shah/ Nilesh Vasant Shah	1,99,675	0.09
2	Jaini A Gala	1,00,966	0.04
3	Mita M Savla	96,305	0.04
4	Rekha K Shah	43,750	0.02
5	Parini K Shah	28,125	0.01
6	Mansi K Shah	28,125	0.01
7	Punita C Andani	50,489	0.02
8	Jyoti Sanjiv Bhatia	15,050	0.01
9	Henal Tanay Mehta/ Bhairaviben A Gala	1,04,800	0.05

RESOLVED FURTHER THAT re-classification of applicants from 'Promoter & Promoter Group' to 'Public Category' shall be subject to the following conditions:

a. Applicant shall not hold more than ten percent of the total voting rights in the Company;

b. Applicant shall not, directly or indirectly, exercise control over the affairs of the Company;

c. Applicant shall not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

d. Applicant shall not be represented on the board of directors (including not having a nominee director) of the Company;

e. Applicant shall not act as key managerial person of the Company for a period of at least 3 years from the date ;

f. Applicant shall not be a wilful defaulter as per the Reserve Bank of India Guidelines;

g. Applicant shall not be a fugitive economic offender

h. Company shall be compliant with the requirement for minimum public shareholding as required under Regulation 38 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i. The event of reclassification will be disclosed to the stock exchange as a material event in accordance with the provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT on approval of the stock exchanges upon application for the reclassification of above mentioned applicants, the Company shall effect such reclassification in the Statement of Shareholding Pattern from immediate succeeding quarter under Regulation 31 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT Shri Amit D. Buch the Company Secretary and the Compliance Officer, be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution including filing of necessary application / forms / returns, if any with the Ministry of Corporate Affairs / Stock Exchanges / other authorities concerned."

By Order of the Board of Directors

sd/-
Amit D. Buch
Company Secretary

Place : Mumbai
Date : 15th May, 2019

NOTES :

(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/ AUTHORITY AS APPLICABLE ISSUED ON BEHALF OF APPOINTING ORGANISATION. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY(50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL PAID UP SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.

IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN THE ORDER OF NAMES WILL BE ENTITLED TO VOTE.

(2) The Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of special business under Item Nos. 6 to 10 is annexed hereto.

(3) Members/ Proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of meeting hall.

(4) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 17th July, 2019 to Wednesday, 24th July, 2019 (both days

inclusive) for the purpose of determining entitlement for payment of dividend and Annual General Meeting.

(5) The dividend as recommended by the Board of Directors of the Company, if declared at the Annual General Meeting, will be paid to those Members whose names stand registered on the Company' Register of Members holding shares in physical form and as beneficial owners as at the end of business hours on 16th July, 2019 as per the list furnished by National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited in respect of shares held in dematerialisation form.

(6) Pursuant to provisions of Section 205A and 205C of the Companies Act, 2013, the amount of dividend remaining unclaimed as unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to "Investor Education and Protection Fund" (IEPF) of the Central Government. Accordingly, the Company has transferred unclaimed or unpaid amounts of final dividend for the financial year 2010-11 and interim dividend for financial year 2011-12 to the IEPF. Dividend declared by the Company thereafter, is still lying in the respective unpaid dividend accounts of the Company. Members who have not yet encashed these dividend(s) are requested to contact Company's Registrar and Share Transfer Agents - M/s. Link Intime India Pvt. Ltd.

Unclaimed final dividend for financial year 2011-12 is due for transfer to IEPF in October, 2019. Kindly note that no claim shall lie against the Company after the transfer of the said dividend amount to IEPF.

(7) As per Section 125 of the Companies Act, 2013, and Investor Education and Protection Fund (IEPF) Rules, all shares on which dividend has not been paid /encashed or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/ claimants whose shares and unclaimed dividend have been transferred to IEPF may claim the same by making an application to IEPF Authority in Form 5 (available on www.iepf.gov.in) along with requisite fees.

(8) Change of Address/ Bank details: Members holding shares in physical form are requested to inform the Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd. immediately of any change in their address and bank details. Members holding shares in dematerialised forms are requested to intimate all changes with respect to their address, bank details, bank mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records which would help the Company to provide efficient and better service to the Members.

(9) Members holding shares in dematerialised form are requested to provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11digit IFS code) with their Depository Participants. Members holding shares in physical form are requested to provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) along with their Folio Number to Company's Registrar and Share Transfer Agents - M/s. Link Intime India Pvt. Ltd.

(10) The Securities and Exchange Board of India (SEBI) vide its earlier circulars have made the Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction. Members are requested to submit the PAN details to their respective DP in case of holdings in dematerialisation form or the Company's Registrar and Share Transfer Agent in case of holdings in physical form, mentioning the correct folio number.

(11) As required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Directors retiring by rotation and seeking re-appointment at the ensuing AGM are given in the notes to the Notice of the AGM.

(12) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (excluding Saturdays) between 11:00 am and 1:00 pm up to the date of the AGM.

(13) Members desiring any information, as regards the Annual Accounts are requested to write to the Company at least ten days before the date of Annual General Meeting to enable the Management to keep the information ready.

(14) In terms of Section 107 and 108 of the Companies Act, 2013 read with the Rules made thereunder, the Company is pleased to provide the facility to its Members holding shares in physical or dematerialised form as on the **cut-off date, being Tuesday, 16th July, 2019** to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

(15) Details of the process and manner of e-voting is being sent to all the members along with the Annual General Meeting Notice.

(16) In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, upon poll being demanded, in the larger interest of the Members, the Chairman may order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the Annual General Meeting Notice. For abundant clarity, in the event of poll please note that members who have exercised the right to vote by electronic means shall not vote by way of poll at the meeting. The voting right of the Members shall be in proportion to the shares of the paid up equity share capital of the Company, subject to the provisions of the Companies Act, 2013. The poll process shall be conducted and scrutinised and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Rules made thereunder.

(17) The Results declared along with Scrutinizer's Report(s) will be available on the website of the Company www.navneet.com, within two (2) days of passing of the resolutions and communication of the same to Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

(18) **Voting through electronic means:**

(A) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

The Instructions for e-voting are as under:

(I) In case of members receiving an e-mail:

(i) Log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders / Members tab & select Navneet Education Ltd. and click on "SUBMIT".

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

	• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in above instruction.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for "NAVNEET EDUCATION LIMITED".

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xviii) **Note for Non–Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(II) In case the shareholders receiving physical copy:

(i) Please follow all steps from (i) to (xvi) above.

(ii) The voting period begins on Saturday 20th July, 2019 (9:00am) and ends on Tuesday 23rd July, 2019 (5:00pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, 16th July, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

19. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

20. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

21. CS. Sunil M. Dedhia (COP No.2031) Proprietor of Sunil M. Dedhia & Co. Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

22. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

23. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's report shall be placed on the Company's website www.navneet.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE and NSE.

By Order of the Board of Directors

sd/-
Amit D. Buch
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Brief details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Particulars	Shri Bipin A. Gala	Shri Anil D. Gala
Date of birth/ age	22nd December, 1950/68 years	03rd April, 1957/62 years
Date of Appointment on Board	1st June, 2013	1st June, 2013
Qualifications	Diploma in Printing Technology	B.Com.
Experience and expertise in specific functional areas	He oversees all matters pertaining to maintenance of old and setting up of new estates and plants of the Company.	He has over three decades of experience and has mastered the fine art of publishing, its myriad from content creation to printing, marketing, sales and distribution. He has been instrumental in creating over 500 titles published by the Company.
Directorships held in other (excluding foreign) Companies	Gala Infrastructure Pvt. Ltd.	Indiannica Learning Pvt. Ltd.
Memberships/Chairmanships of Committees across public companies	Nil	Nil
Number of shares held in the Company	22,37,516	33,09,046
Remuneration last drawn (including sitting fees, if any)	₹1,37,62,567/-	₹1,43,22,147/-
Relationship with other Directors/Key Managerial Personnel/ Manager	Nil	He is related to Shri Gnanesh D. Gala, Managing Director
Number of board meetings attended during the year	4	6

Particulars	Shri Kamlesh S. Vikamsey	Shri Mohinder Pal Bansal
Date of birth/ age	06th December, 1960/58 years	8th May, 1957/62 years
Date of Appointment on Board	30th May, 1992	1st June, 2013
Qualifications	Chartered Accountant	Chartered Accountant
Experience and expertise in specific functional areas	He is a qualified Chartered Accountant with over 35 years of experience in Accounting & Finance, Taxation, Corporate and consulting services and has been a part of various advisory and expert committees at national and international levels. Currently he is the Chairperson of the Audit Advisory Committee of UNICEF, USA, member of Audit Committee of World Meteorological Organisation (WMO), Geneva, Switzerland and also member of National Advisory Board Manav Sadhan Vikas Sanstha. He is the past Chairperson of the External Audit Committee of International Monetary Fund, USA.	He has over 25 years of experience in M&A, Strategic Advisory, Capital Markets, a portfolio company integration as well as past acquisitions performance management in India, Asia & Europe. He has a significant hands on operational experience in conducting due diligence structuring & negotiating transactions.
Directorships held in other (excluding foreign) Companies	i) Man Infraconstruction Ltd. ii) Tribhovandas Bhimji Zaveri Ltd. iii) Apcotex Industries Ltd. iv) GIC Housing Finance Ltd. v) PTC India Financial Services Ltd. vi) Container Corporation Of India Ltd.* vii) Electrotherm Renewables Pvt. Ltd. viii) Palace Solar Energy Pvt. Ltd. ix) Waacox Energy Pvt. Ltd.	i) Allcargo Logistics Ltd. ii) Transindia Logistic Park Pvt. Ltd. iii) Hindustan Cargo Ltd. iv) Concorde Motors (India) Ltd. v) Avvashya CCI Logistics Pvt. Ltd. vi) Prince Pipes and Fittings Ltd. vii) Girik Wealth Advisors Pvt. Ltd. viii) K 12 Techno Services Pvt. Ltd. ix) Blacksoil Capital Pvt. Ltd. x) Blacksoil Asset Management Pvt. Ltd. xi) Allnet Financial Services Pvt. Ltd.
Memberships/Chairmanships of Committees across public companies	Chairman of Audit Committee: i) Man Infraconstruction Ltd. ii) Tribhovandas Bhimji Zaveri Ltd. iii) Apcotex Industries Ltd. iv) PTC India Financial Services Ltd. Chairman of Audit & Ethics Committee: i) Container Corporation of India Ltd.* Member of Audit Committee: i) GIC Housing Finance Ltd. ii) Palace Solar Energy Pvt. Ltd. iii) Waacox Energy Pvt. Ltd.	Chairman of Audit Committee: i) Concorde Motors (India) Ltd. ii) Allcargo Logistics Ltd. iii) Prince Pipes and Fittings Ltd.
Number of shares held in the Company	Nil	Nil
Remuneration last drawn (including sitting fees, if any)	₹1,30,000/- (Sitting fees)	₹2,20,000/- (Sitting fees)

Particulars	Shri Kamlesh S. Vikamsey	Shri Mohinder Pal Bansal
Relationship with other Directors/Key Managerial Personnel/ Manager	He is related to Shri Nilesh S. Vikamsey, Non-independent & Non-Executive Director	Nil
Number of board meetings attended during the year	6	6

*Term as Non-Official (Independent Director) expired on 31-03-2019.

Particulars	Shri Tushar K. Jani	Smt. Usha Laxman
Date of birth/ age	29th April, 1953/66 years	8th Jan, 1958/61 years
Date of Appointment on Board	24th June, 2010	11th August, 2014
Qualifications	B.Sc.	B.Com.
Experience and expertise in specific functional areas	He is an Innovative Entrepreneur with over three decades of experience in corporate world. He is the past Chairman of Maharashtra State Council of CII. He has envisioned, founded and mentored numerous companies. He is Founder Ex-Chairman of Blue Dart Express Ltd.	She has over 25 years experience in the field of education she was the educational head of a playschool & nursery of an NGO. Besides, she has experience of handling marketing in India & whole of Asia for software consulting solutions.
Directorships held in other (excluding foreign) Companies	i) Blue Dart Aviation Ltd. ii) Indiannica Learning Pvt. Ltd. iii) Albatross Logistics Centre India Pvt. Ltd. iv) Cargo Services Centre India Pvt. Ltd. v) Transmart India Pvt. Ltd. vi) Ritu Freight & Transport Services Pvt. Ltd. vii) Blue Sea Shipping Agency Pvt. Ltd. viii) Scmooth India Pvt. Ltd. ix) SCA Logistics Pvt. Ltd. x) Delhi Cargo Services Centre Pvt. Ltd. xi) Span Design & Solution Services Pvt. Ltd. xii) Cargo Service Centre Skill & Training Academy Pvt. Ltd. xiii) Jani-SCA Research & Development Pvt. Ltd. xiv) Mumbai Cargo Service Centre Cold Chains Solutions Services Pvt. Ltd. xv) Mumbai Cargo Service Centre Airport Pvt. Ltd.	i) R K IPR Management Pvt. Ltd. ii) Common Man Works Pvt. Ltd.
Memberships/Chairmanships of Committees across public companies	Member of Audit Committee: i) Indiannica Learning Pvt. Ltd.	Nil

Particulars	Shri Tushar K. Jani	Smt. Usha Laxman
Number of shares held in the Company	Nil	Nil
Remuneration last drawn (including sitting fees, if any)	₹1,40,000/- (Sitting fees)	₹1,60,000/- (Sitting fees)
Relationship with other Directors/Key Managerial Personnel/ Manager	Nil	Nil
Number of board meetings attended during the year	3	4

Particulars	Dr. Vijay B. Joshi
Date of birth/ age	12th April,1956/63 years
Date of Appointment on Board	31st October, 2013
Qualifications	Ph.D.
Experience and expertise in specific functional areas	He is an eminent Academician with vast experience in academic and administrative functions in higher education space. He has been nominated on various Governing Bodies of Universities and higher education institutes. He has served as Dean faculty of Science and Technology at University of Mumbai. As Dean he has implemented innovative need-based changes in curricula and evaluation across science and technology subjects. He was nominated by Hon. Chancellor on the Academic Council of University of Mumbai. He has served on many high-level selection, inquiry and review committees. He has served as Chief Consultant and Joint Director (In Charge) at Rashtriya Uchchatar Shiksha Abhiyan(Maharashtra). He is a pioneer in establishing academic autonomy in higher education. He was instrumental in transforming K.J. Somaiya College of Science and Commerce (Autonomous) during his tenure as a Principal. As a researcher, he has published research papers and delivered sessions at national and International conference.
Directorships held in other (excluding foreign) Companies	Nil
Memberships/Chairmanships of Committees across public companies	Nil
Number of shares held in the Company	1,050
Remuneration last drawn (including sitting fees, if any)	₹2,50,000/- (Sitting Fees)
Relationship with other Directors/Key Managerial Personnel/ Manager	Nil
Number of board meetings attended during the year	6

Note : i) The Directorship held by directors as mentioned above do not include directorship in Section 8 company .
ii) Committee of Directors includes Audit Committee and Stakeholders Relationship Committee only.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 6 to 9

At the 28th Annual General Meeting of the Company, Shri Mohinder Pal Bansal, Shri Tushar K. Jani, Smt. Usha Laxman and Dr. Vijay B. Joshi were, inter-alia, appointed as Independent Directors on the Board of the Company for a period of five consecutive years pursuant to the provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointments & Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges.

The Nomination and Remuneration Committee based on the outcome of the performance evaluation exercise for Independent Directors, recommended to the Board of Directors the re-appointment of the said Independent Directors for the second term of five consecutive years. The Board of Directors at its meeting held on 15th May, 2019, based on the outcome of the performance evaluation exercise, recommendation of Nomination and Remuneration Committee, background, experience and contribution made by each Independent Director, during their tenure, have approved their re-appointments as Independent Director, subject to the approval of the shareholders at the AGM. The Board of Directors is of the view that re-appointment of Shri Mohinder Pal Bansal, Shri Tushar K. Jani, Smt. Usha Laxman and Dr. Vijay B. Joshi would be in the interest of the Company. Shri Mohinder Pal Bansal, Shri Tushar K. Jani, Smt. Usha Laxman and Dr. Vijay B. Joshi are not disqualified from being re-appointed as Directors of the Company in terms Section 164 of the Companies Act, 2013.

The Company has also received declaration from Shri Mohinder Pal Bansal, Shri Tushar K. Jani, Smt. Usha Laxman and Dr. Vijay B. Joshi that they meet the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and Listing Regulations.

Details of Directors whose re-appointment as Independent Directors are proposed at Item Nos. 6 to 9 of the Notice are provided in the Explanatory Statement forming part of the Notice convening Annual General Meeting as required under the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by the ICSI.

Copies of draft letters of appointment of Shri Mohinder Pal Bansal, Shri Tushar K Jani, Smt. Usha Laxman and Dr. Vijay B. Joshi setting out the terms and conditions of re-appointment are available for inspection by the members of the Company at the Registered Office of the Company on any working days (excluding Saturdays) between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.

Your Directors recommend the resolutions at Item Nos. 6 to 9 of the Notice for your approval as Special Resolutions.

Shri Mohinder Pal Bansal, Shri Tushar K. Jani, Smt. Usha Laxman and Dr. Vijay B. Joshi are interested in the respective resolution at Item Nos. 6 to 9 of the Notice pertaining to their own re-appointment.

None of the other Directors and Key Managerial Personnel of the Company or their relatives is, in anyway, concerned or interested, financially or otherwise in the said resolutions.

Item No. 10

Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has provided a regulatory mechanism for re-classification of Promoters and persons related to promoter(s) as Public Shareholders.

In this regard, the Company received applications from the following promoter group persons pursuant to Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for reclassifying them under the Public Category.

Sr. No.	Name of Shareholder	No. of shares held	% of Paid up Capital
1	Jigna Nilesh Shah/ Nilesh Vasant Shah	1,99,675	0.09
2	Jaini A Gala	1,00,966	0.04
3	Mita M Savla	96,305	0.04
4	Rekha K Shah	43,750	0.02
5	Parini K Shah	28,125	0.01
6	Mansi K Shah	28,125	0.01
7	Punita C Andani	50,489	0.02
8	Jyoti Sanjiv Bhatia	15,050	0.01
9	Henal Tanay Mehta/ Bhairaviben A Gala	1,04,800	0.05

Above mentioned members in their individual capacity has confirmed and the Board of Directors took same on record at its meeting held on March 28th, 2019, that they shall not:

(i) hold more than 10% of the fully paid-up equity share capital and voting rights of the Company;

(ii) exercise control over the affairs of the Company directly or indirectly;

(iii) have any special rights through formal or informal arrangements including through any shareholders agreements.

(iv) be represented on the board of directors (including as a nominee director) of the Company.

(v) act as a Key Managerial Persons for a period of at least 3 years from the date of shareholders approval.

They further confirmed, that they in their individual capacity are not 'wilful defaulter' as per the Reserve Bank of India Guidelines nor are they fugitive economic offender.

In view of the explanations given by the applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors at its meeting held on March 28th, 2019 analysed the requests received from above mentioned persons for reclassification and approved the same subject to approval by the members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchanges based on declaration received from the aforesaid persons.

Further, the Board of Directors confirms that Company post reclassification will be compliant with the requirement for minimum public shareholding as required under Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and trading in the shares of the Company has not been suspended by the stock exchanges, nor are there any outstanding dues to the Securities and Exchange Board of India Board, the stock exchanges or the depositories.

Holding by	Pre re-classification holding	% of the paid up capital	Post re-classification holding	% of the paid up capital
Promoter shareholding	14,16,48,842	61.89	14,07,51,454	61.50
Public shareholding	8,72,21,658	38.11	8,81,19,046	38.50

Note : Pre and Post re-classification shareholding will be updated, while filing application with Stock Exchanges and additionally, post reclassification shareholding will be subject to obtaining requisite approval from Stock Exchanges.

Your Directors recommend the passing of the resolution mentioned at Item No. 10 of the Notice as a Special Resolution.

Shri Bipin A. Gala, Shri Anil D. Gala and Shri Raju H. Gala, Directors may be deemed to be interested in the resolution at Item No. 10 of the Notice to the extent of their shareholding in the Company as some of the persons requesting for re-classification are related to them.

None of the other Directors and Key Managerial Personnel of the Company or their relatives is, in anyway, concerned or interested, financially or otherwise in the said resolution.

By Order of the Board of Directors

sd/-
Amit D. Buch
Company Secretary

Place : Mumbai
Date : 15th May, 2019

33rd Annual General Meeting
Day & Date: Wednesday, 24th July, 2019
Time: 10.30 a.m.

Venue:
M.C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001.

ROUTE MAP TO THE VENUE OF THE AGM

DIRECTORS' REPORT

Dear Shareowners,

Your Directors present their thirty-third Annual Report along with the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2019.

(1) FINANCIAL RESULTS :

(₹ in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	1,36,054	1,13,224	1,44,501	1,20,398
Other Income	1,938	2,921	1,692	2,600
Total Revenue	1,37,992	1,16,145	1,46,193	1,22,998
Expenses	1,10,921	92,700	1,22,223	1,01,995
Profit Before Tax	27,071	23,445	23,970	21,003
Tax Expenses	9,324	8,124	9,249	8,253
Profit After Tax	17,747	15,321	14,721	12,750
Share of Profit/(Loss) of Associate			561	(14)
Other Comprehensive Income/(Expense) (net of tax)	392	(470)	421	(451)
Total Comprehensive Income for the year	**18,139**	**14,851**	**15,702**	**12,285**

(2) DIVIDEND :

Your Directors recommended a dividend of ₹1/- (50%) per share for the Financial Year 2018-19. The dividend so recommended, if declared, works out to about 15.54% (including dividend distribution tax) of net profit as against your Company's policy of distribution of a minimum of 25% of its net profit. The Dividend Distribution Policy of the Company as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available at the link www.bit.ly/2WUCCu3.

(3) OPERATIONS :

(i) During the year under review, the Company achieved a total revenue (including other income) of ₹1,37,992 Lakhs as compared to ₹1,16,145 Lakhs in the financial year 2017-18.

(ii) EBITDA for the year under review stood at ₹30,703 Lakhs as against ₹26,391 Lakhs in the previous year.

(iii) After providing ₹2,446 Lakhs for depreciation, ₹9,534 Lakhs for income tax, ₹184 Lakhs deferred tax Income, ₹26 Lakhs as excess provision of tax of earlier years, Net Profit for the year stood at ₹18,139 Lakhs as against ₹14,851 Lakhs achieved in the previous year on standalone basis.

(4) PERFORMANCE OF DIVISIONS:

Content Publishing Division:

The content publishing business achieved a turnover of ₹71,076 Lakhs in financial year 2018-19 as compared to ₹62,821 Lakhs in the previous financial year. There was a growth of about 13% over the last year.

Stationery Division:

Stationery segment improved by 29% over the previous year from ₹50,096 Lakhs to ₹64,812 Lakhs.

(5) DIRECTORS' RESPONSIBILITY STATEMENT :

As required under Section 134(3) (c) of the Companies Act, 2013 your Directors hereby state:

- that in the preparation of annual financial statements for the year ended 31st March, 2019, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures, if any;

- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- that the Directors had prepared the annual accounts on a going concern basis;

- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(6) DIRECTORS :

Shri Bipin A. Gala (DIN:00846625), Shri Anil D. Gala (DIN:00092952) and Shri Kamlesh S. Vikamsey (DIN: 00059620) Directors of the Company, retire by rotation and, being eligible offer themselves for re-appointment. Your Directors recommend their re-appointments.

The Independent Directors of the Company namely Shri Mohinder Pal Bansal (DIN:01626343), Shri Tushar K Jani (DIN:00192621), Smt. Usha Laxman (DIN:02765647) and Dr. Vijay B. Joshi (DIN:06705634) were appointed for a term of five (5) consecutive years at the 28th AGM of the Company. The Board of Directors on the recommendation of Nomination and Remuneration Committee propose to re-appoint them for a second term of five (5) consecutive years. and therefore necessary Special Resolutions in this regard form part of the notice convening 33rd AGM for your consideration and approval.

(7) BUY BACK OF SHARES & SHARE CAPITAL :

During the year under review, the Company bought back 46,87,500 Equity Shares of face value of ₹2/- each at a price of ₹160/- per Equity Share (including premium of ₹158/- per Equity Share) amounting to ₹75,00,00,000/- (Rupees Seventy Five Crore Only) on a proportionate basis through the tender offer as prescribed under Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. The buyback of 46,87,500 Equity Shares of the face value of ₹2/- each was completed on 12th October, 2018. The number of Equity Shares post buy back stands reduced to 22,88,70,500 of ₹2/- each and accordingly, the paid up Equity Share Capital also stands reduced to ₹45,77,41,000/-.

(8) RISK MANAGEMENT POLICY :

During the year under review, the Company has identified and evaluated elements of business risk. Business risk, inter-alia, includes fluctuations in Foreign Exchange, Regulatory Risk, Competition from other players and High Input Costs. The Risk Management Framework defines the risk management approach of the Company and includes periodic review of such risk and also documentation, mitigating controls and reporting mechanism of such risks. The Board of Directors and senior management team currently assess the operations and operating environment to identify potential risks and take necessary action to mitigate the same.

(9) CORPORATE SOCIAL RESPONSIBILITY :

Navneet Education Ltd. believes that growth is possible when the people of the society are developed and have access to quality community services. Your Company has contributed towards development in the sectors of health and medical care, education improvement, tribal development, sports development and animal welfare.

Health and Medical care

NGOs working in the field of health and medical services are supported to provide quality medical services to the patients. Surgeries, long term treatment of ailments such as cancer, kidney dysfunction, and others are provided with medical aid.

Education improvement

Education aid is provided to orphaned and underprivileged children to enable them to empower themselves through quality learning. Remedial classes are conducted for children to enable them to cope with the learning gaps and are then mainstreamed in regular schools.

Tribal Development

Income generation program for women in the tribal region helps improve the quality and standard of living. Agriculture development through seed distribution and fruit plants helped the people in the tribal region. Paramedic services were made accessible to the patients.

Community Infrastructure Development

Primary health care center was development and upgraded to provide quality medical services to the community. Medical examination equipment was provided along with redevelopment of infrastructure facilities.

Vocational training

Skill development that would improve the employability of the youth was initiated. Training in repairs and maintenance of white goods and motors was designed to help develop vocational skills.

CSR annual report is annexed as Annexure 'A' and forms an integral part of this Report.

(10) NOMINATION AND REMUNERATION POLICY :

The Board of Directors has framed a policy which lays down a framework in relation to remuneration to Directors, Managerial Personnel and senior Management of the Company. The policy lays down the criteria for selection and appointment of Board members The details of this policy form part of Corporate Governance Report.

(11) MEETINGS :

The details of the number of meetings of the Board held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

(12) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :

Your Company has laid down policies, guidelines and procedures that form part of internal control systems, which provides for automatic checks and balances. Your Company has maintained a proper and adequate system of internal controls. This ensures the safeguarding of assets and properties of the Company and protects against unauthorised use and disposal of the assets. Your Company's internal control systems commensurate with the nature and size of its business operations. Internal Financial Controls are evaluated and internal auditors' reports are reviewed by the audit committee.

(13) STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS :

All independent directors have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

(14) RELATED PARTY TRANSACTION :

The Board of Directors has adopted a policy on Related Party Transactions. All related party transactions entered into during the financial year were on arm's length basis and in the ordinary course of the business. There are no materially significant related party transaction made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. All related party transactions were entered into only with prior approval of the Audit Committee. A statement of all related party transaction is presented before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transaction. Your Company's Policy on Related Party Transactions, as adopted by your Board is uploaded on the Company's website. Transactions with related parties, as per requirements of Indian Accounting Standard 24 are disclosed in the notes to accounts accompanying to the financial statement. Since all related party transactions entered into by the Company were in the ordinary course of business and at arm's length basis, Form AOC-2 is not applicable to the Company.

(15) PERFORMANCE OF SUBSIDIARIES :

a) eSense Learning Private Limited

The subsidiary was incorporated on 24th April, 2008. The subsidiary is focussed on providing digital education through eLearning solutions to students in India. The revenue of your Company's subsidiary eSense Learning Private Limited stood at ₹2,361 Lakhs for FY19 as compared to ₹1,748 Lakhs in the previous year. The loss (before tax and OCI) of the company decreased to ₹113 Lakhs in FY19 as compared to loss of ₹510 Lakhs in the previous year. The subsidiary company continues its focus on scaling up quality of revenues with reducing share of hardware revenues and focusing on B2B model for sustainable growth.

b) Indiannica Learning Private Limited

Indiannica Learning Private Limited became wholly owned subsidiary with effect from 30th December, 2016. The Company focuses on enriching the learning experiences in CBSE / ICSE curriculum. The revenue of the subsidiary stood at ₹6,490 Lakhs for FY19 as compared to ₹5,759 Lakhs in the previous year. The Company posted a loss (before tax and OCI) of ₹2,865 Lakhs in FY19 as compared to a loss of ₹1,939 Lakhs in the previous year.

c) Navneet (HK) Limited

This subsidiary was incorporated in January, 2017. Your Company holds 70% of its paid up equity share capital. This subsidiary commenced its business activities in FY18-19 and achieved turnover of ₹213 Lakhs in FY19.

(16) CONSOLIDATED FINANCIAL STATEMENT :

Your Directors have pleasure in presenting Consolidated Financial Statement which form part of the Annual Report and Accounts.

(17) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

Details of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note number 46 to the financial statement.

(18) BOARD EVALUATION :

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a structured questionnaire was prepared after taking into consideration various aspects of Board's function, composition of the Board and its committee, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and Non- Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

(19) REPORTING OF FRAUDS :

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143(2) of the Companies Act, 2013 and Rules framed thereunder.

(20) TRANSFER OF SHARES TO IEPF :

As required under Section 124 of the Companies Act, 2013, 98,663 equity shares, in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more, have been transferred by the Company to Investor Education and Protection Fund Authority (IEPF) during the financial year under review. Details of shares transferred have been uploaded on the website of IEPF as well as Company.

(21) WHISTLE BLOWER POLICY :

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower Policy of the Company has been hosted on Company's website.

(22) ANNUAL RETURN :

The details forming part of the extract of the Annual Return in the Form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in the report as Annexure 'B' and forms part of this Report.

(23) SECRETARIAL AUDIT :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto, your Company engaged the services of CS Sunil M. Dedhia (COP No.2031), Proprietor of Sunil M. Dedhia

& Co., Company Secretary in Practice to conduct the Secretarial Audit of the Company for the Financial Year ended 31st March, 2019. The Secretarial Audit Report in Form MR - 3 is attached as Annexure 'C' forming part of this Report.

(24) SUBSIDIARY COMPANY :

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the Company in the immediately preceding accounting year or has generated 20% of the consolidated income of the company during the previous financial year. A statement containing salient features of the financial statement of subsidiary company in the prescribed format AOC-1 is included in the report as Annexure 'D' and forms part of this Report.

(25) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS :

The Company has a familiarisation programme for independent directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. and the same is available on the website of the Company.

(26) CORPORATE GOVERNANCE :

Your Company has complied with Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Stock Exchanges. A report on Corporate Governance as stipulated under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with Auditor's Certificate annexed as Annexure 'E' on compliance with the Corporate Governance, forms part of this Report.

(27) TRANSFER TO GENERAL RESERVES :

The Company has not transferred any amount to General Reserves and retained the profits in Retained Earnings.

(28) AUDITORS :

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s N.A. Shah Associates LLP (Firm Registration No.116560W/W100149), Chartered Accountants were appointed as Statutory Auditors of the Company to hold office from the conclusion of 31st Annual General Meeting (AGM) until the conclusion of 36th AGM, subject to ratification by shareholders at every subsequent AGM.

Amended provisions of Section 139 of the Act vide Companies (Amendment) Act, 2017 notified from 7th May, 2018 no longer requires ratification of appointment of Auditors by members at every subsequent Annual General Meeting (AGM). In view of this, appointment of Auditors is not required for ratification at ensuing AGM.

M/s N.A. Shah Associates LLP, (Firm Registration No. 116560W/W100149), Chartered Accountants have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

(29) COMMENTS ON AUDITORS' REPORT :

There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors in their report requiring explanation or comments from the Board of Directors as required under Section 134(3) of the Companies Act, 2013.

(30) PARTICULARS OF EMPLOYEES :

Disclosure pertaining to remuneration as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure 'F' to this report. However, as per the provisions of Section 136(1) of the Companies Act, 2013, this Report is sent to the shareholders excluding the said information. Any shareholder interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

(31) MANAGEMENT DISCUSSION AND ANALYSIS :

As per Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis report forms part of this Report.

(32) CREDIT RATING :

During the year under review CRISIL has reassigned CRISIL A1+ (pronounced CRISIL A one Plus) rating to the Commercial Paper programme of the Company. The instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations.

During the year under review CARE Ratings has reaffirmed CARE AA+ (pronounced CARE Double A Plus) rating to the Long / Short Term Bank facilities of the Company. The bank facilities covered with this rating are considered to have very strong degree of safety regarding timely payment.

(33) SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS :

There are no significant or material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

(34) NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The details of number of complaints pending at the beginning of the financial year, received during the financial year and pending as on end of financial year is as under:

Particulars	Number of Complaints
Number of complaints pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
Number of complaints pending as on the end of the financial year	Nil

(35) MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF REPORT :

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of report.

(36) DEPOSITS :

During the year under review, your Company did not accept any deposits within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014.

(37) BUSINESS RESPONSIBILITY REPORT (BRR) :

Your Company appeared in the list of top 500 companies based on market capitalization criteria as on 31st March, 2018 and therefore required to prepare and attach Business Responsibility Report (BRR) to the Annual Report of the Company for the Financial Year 2018-19.

The BRR of the Company for the year ended 31st March, 2019, in line with Green initiative, is made available on the website of the Company www.navneet.com and forms part of the Annual Report. The BRR is kept at the Registered Office of the Company for its inspection. A copy of the BRR shall be made available to such of those shareholders who are desirous and interested, upon receipt of a written request from them.

(38) DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

(A) CONSERVATION OF ENERGY

Company's plant was designed to achieve high efficiency in the utilisation of energy. The key areas with regards to reduction of energy are identified and constant efforts are made towards energy conservation.

(B) TECHNOLOGY ABSORPTION, ADOPTATION AND INNOVATION

Research & Development

(1) Efforts in brief towards technology absorption, adaptation & innovation

Through visits of technical personnel to developed Western countries, your Company keeps abreast with the advanced Technology Development and through specific programmes introduces, adopts and absorbs these sophisticated technologies.

(2) Benefits derived as a result of the above efforts

In view of the above, your Company has been able to achieve a higher production, accuracy and perfection in printing.

(3) In case of Imported Technology

(i) Technologies Imported (ii) Year of Import (iii) Has the technology been fully absorbed?	None. Your Company has not imported any technology

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's export turnover has been ₹ 37,923 Lakhs.

Total Foreign Exchange earned and used :

(i) Foreign Exchange earned : ₹ 37,813 Lakhs
(ii) Foreign Exchange used : ₹ 2,566 Lakhs

(39) ACKNOWLEDGEMENT :

The Board of Directors take this opportunity to thank Company's shareholders, bankers, financial institutions, customers, suppliers, Central and State Governments, other regulatory authorities and all the employees for their support and co-operation extended to the Company during the year.

For and on behalf of the Board of Directors

sd/-
Kamlesh S. Vikamsey
Chairman

Place : Mumbai
Date : 15th May, 2019

Annexure - 'A'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web - link to the CSR policy and projects or programs and the Composition of CSR Committee	Refer Corporate Responsibility Section of Director's Report and Management Discussion and Analysis. The CSR policy approved by the Board of Directors has been uploaded on the Company's website. The web link is http://www.navneet.com/policy/CSR-Policy.pdf.
2	Composition of CSR Committee	Dr. Vijay B. Joshi - (Independent Director) Smt. Usha Laxman - (Independent Director) Shri Bipin A. Gala - (Whole-Time Director) Shri Anil D. Gala - (Whole-Time Director)
3	Average net profit of the Company for last three financial years	₹22,543 Lakhs
4	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	₹451 Lakhs
5	Details of CSR spent during financial year Total amount to be spent for the financial year	₹776 Lakhs ₹451 Lakhs
6	Amount unspent, if any	NIL
7	Manner in which the amount spent during the financial year	Details given below

Sr. No.	Project/ Activities	Sector in which project is undertaken	Location where the project is undertaken (Local Area/ District)	Amount Outlay (Budget) Project or program wise (₹)	Amount spent on the project or programs (1) direct expenditure on projects or programs (2) overheads (₹)	Cumulative expenditure upto the reporting period (₹)	Amount spent: Direct or through implementing agency
1	Medical aid and preventive care	Medical	Mumbai, Maharashtra	1,69,00,158	1,69,00,158	1,69,00,158	Implementing agency*
2	Education support to deprived students	Education & Others	Mumbai, Maharashtra	4,54,66,000	4,54,66,000	4,54,66,000	Implementing agency*
3	Tribal Livelihood Development	Other	Gujarat & Maharashtra	13,00,000	13,00,000	13,00,000	Implementing agency*
4	Community Infrastructure Development	Education	Pune, Maharashtra	1,25,00,000	1,25,00,000	1,25,00,000	Implementing agency*
5	Vocational Training	Education	Mumbai, Maharashtra	15,00,000	15,00,000	15,00,000	Implementing agency*
		Total		**7,76,66,158**	**7,76,66,158**	**7,76,66,158**	

*Details of Implementing agencies: Navneet Foundation, Shree Kutchi Visha Oswal Seva Samaj, SOS Children's Village of India, Kutch Yuvak Sangh – Mumbai, Shri K.V.O. Jain Manav Kalyan Kendra Dahisar, Tribal Integrated Development & Education Trust, Shri Poona Kutchi Jain Samaj, Shree Mahavir Jain Charitrya Kalyan Ratnashram, Silvassa-Civil work for health centre (CSR activity), Sheth Dhanji Devshi KVO Kelvani Fund, Tarun Mitra Mandal.

8. The CSR Committee Chairman confirm that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and policy of the Company.

	sd/-	sd/-
Place : Mumbai	**Dr. Vijay B. Joshi**	**Kamlesh S. Vikamsey**
Date : 15th May, 2019	Chairman CSR Committee	Chairman

Annexure - 'B'

FORM NO.MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2019

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014)

I REGISTRATION AND OTHER DETAILS

(I)	CIN	L22200MH1984PLC034055
(II)	Registration Date	18th September, 1984
(III)	Name of the Company	Navneet Education Limited
(IV)	Category/Sub-Category of the Company	Public Company Ltd by Shares
(V)	Address of the Registered office and contact details	Navneet Bhavan, Bhavani Shankar Road, Near Shardashram Society, Dadar (West), Mumbai-400028. Telephone - +91 22 66626565 Fax - +91 22 66626470 Email - secretarial@navneet.com Website - www.navneet.com
(VI)	Whether listed company	Yes
(VII)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C - 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Telephone - +91 22 49186000 Fax - +91 22 49186060 Email - mt.helpdesk@linkintime.co.in Website - www.linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	The Company is engaged in the business of publication of education and non-education books and manufacture of paper and non-paper stationery products.	Publication NIC code : 5811 Stationery NIC code : 17099	Publication : 51.51 Stationery : 46.97

III PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	eSense Learning Pvt. Ltd. Navneet Bhavan, Bhavani Shankar Road, Near Shardashram Society, Dadar (West), Mumbai-400028.	U72200MH2008PTC181531	Subsidiary	100%	2(87)
2	Navneet (HK) Ltd. Room 718, Metro Centre II, 21 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong.	2480211	Subsidiary	70%	2(87)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
3	Indiannica Learning Pvt. Ltd. [Formerly - Encyclopaedia Britannica (India) Pvt. Ltd.] A-41, Ground Floor, (L2), Mohan Co-operative Industrial Estate, Main Mathura Road, New Delhi 110044	U22110DL1998PTC094399	Subsidiary	100%	2(87)
4	Navneet Learning LLP Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai-400028.	AAA-3855	Subsidiary	93%	2(87)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category - wise share Holding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year 01st April, 2018				Shareholding at the end of the year 31st March, 2019				% during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	5,17,36,027	0	5,17,36,027	22.15	5,07,29,752	0	5,07,29,752	22.16	0.01
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Promoter Trust	9,25,65,009		9,25,65,009	39.63	9,09,19,090	0	9,09,19,090	39.73	0.10
	Sub Total (A)(1)	**14,43,01,036**	**0**	**14,43,01,036**	**61.78**	**14,16,48,842**	**0**	**14,16,48,842**	**61.89**	**0.11**
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**14,43,01,036**	**0**	**14,43,01,036**	**61.78**	**14,16,48,842**	**0**	**14,16,48,842**	**61.89**	**0.11**
(B)	**Public Shareholding**									
[1]	Institutions									
(a)	Mutual Funds / UTI	3,85,07,540	0	3,85,07,540	16.49	3,84,92,661	0	3,84,92,661	16.82	0.33
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	10,95,531	0	10,95,531	0.47	10,71,708	0	10,71,708	0.47	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	1,40,01,492	0	1,40,01,492	5.99	1,00,35,235	0	1,00,35,235	4.38	-1.61

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year 01st April, 2018				Shareholding at the end of the year 31st March, 2019				% during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(f)	Financial Institutions / Banks	53,746	0	53,746	0.03	66,354	0	66,354	0.03	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	**5,36,58,309**	**0**	**5,36,58,309**	**22.98**	**4,96,65,958**	**0**	**4,96,65,958**	**21.70**	**-1.28**
[2]	Central Government/ State Government(s)/ President of India	0	0	0	0.00	2,500	0	2,500	0.00	0.00
	Sub Total (B)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
[3]	Non-Institutions	5,36,58,309	0	5,36,58,309	22.98	4,96,68,458	0	4,96,68,458	21.70	-1.28
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹1 Lakhs.	1,92,97,321	34,74,257	2,27,71,578	9.74	2,22,88,785	24,29,665	2,47,18,450	10.79	1.05
(ii)	Individual shareholders holding nominal share capital in excess of ₹1 Lakhs	56,03,281	0	56,03,281	2.40	55,20,305	0	55,20,305	2.41	0.01
(b)	NBFCs registered with RBI	0	0	0	0.00	2,777	0	2,777	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	IEPF	281312	0	281312	0.12	3,79,975	0	3,79,975	0.17	0.05
	Trusts	1	0	1	0.00	1	0	1	0.00	0.00
	Hindu Undivided Family	811382	0	811382	0.35	13,18,620	0	13,18,620	0.58	0.23
	Non Resident Indians (Non Repat)	4,27,915	0	4,27,915	0.18	4,29,468	0	4,29,468	0.19	0.01
	Non Resident Indians (Repat)	4,88,998	2,47,550	7,36,548	0.32	5,04,027	2,05,300	7,09,327	0.31	-0.01
	Office Bearers	15,300	18,775	34,075	0.01	15,300	18,775	34,075	0.01	0.00
	Clearing Member	4,33,115	0	4,33,115	0.19	71,941	0	71,941	0.03	-0.16
	Other Director	1,050	0	1,050	0.00	1,050	0	1,050	0.00	0.00
	Bodies Corporate	44,92,773	5,625	44,98,398	1.93	43,61,586	5,625	43,67,211	1.92	-0.01
	Sub Total (B)(3)	69,51,846	2,71,950	72,23,796	3.10	70,81,968	2,29,700	73,11,668	3.21	0.11
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	**8,55,10,757**	**37,46,207**	**8,92,56,964**	**38.22**	**8,45,62,293**	**26,59,365**	**8,72,21,658**	**38.11**	**-0.11**
	Total (A)+(B)	**22,98,11,793**	**37,46,207**	**23,35,58,000**	**100.00**	**22,62,11,135**	**26,59,365**	**22,88,70,500**	**100.00**	**0.00**
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	**22,98,11,793**	**37,46,207**	**23,35,58,000**	**100.00**	**22,62,11,135**	**26,59,365**	**22,88,70,500**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shareholding during the year
		No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Bipin A Gala/Gnanesh D Gala - Trustee for Navneet Trust	9,25,65,009	39.63	0.00	9,09,19,090	39.73	0.00	0.10
2	Kalpesh H Gala/Madhuriben H Gala	35,63,296	1.53	0.00	34,93,321	1.53	0.00	0.00
3	Anil D Gala/Bhairaviben A Gala	32,78,015	1.40	0.00	32,13,640	1.40	0.00	0.00
4	Gnanesh D Gala/Priti G Gala	31,26,796	1.34	0.00	30,65,392	1.34	0.00	0.00
5	Jitendra L Gala/Manjulaben J Gala	29,31,365	1.26	0.00	0	0.00	0.00	-1.26
6	Ranjanben B Gala/Bipin A Gala	26,50,234	1.13	0.00	25,98,191	1.14	0.00	0.01
7	Ketan B Gala/Ranjanben B Gala	24,57,469	1.05	0.00	24,09,211	1.05	0.00	0.00
8	Sandeep S Gala/Vimlaben S Gala	19,52,974	0.84	0.00	19,14,622	0.84	0.00	0.00
9	Shantilal R Gala (HUF)	16,83,861	0.72	0.00	16,50,795	0.72	0.00	0.00
10	Devish Gnanesh Gala	14,31,241	0.61	0.00	14,03,136	0.61	0.00	0.00
11	Priti G Gala/Gnanesh D Gala	13,74,470	0.59	0.00	13,47,477	0.59	0.00	0.00
12	Bipin A Gala/Ranjan B Gala	13,15,520	0.56	0.00	12,89,687	0.56	0.00	0.00
13	Shailendra J Gala/Jitendra L Gala	12,70,580	0.54	0.00	0	0.00	0.00	-0.54
14	Bhairaviben A Gala/Anil D Gala	12,65,568	0.54	0.00	12,40,715	0.54	0.00	0.00
15	Sanjeev J Gala/Manjulaben J Gala	12,58,294	0.54	0.00	0	0.00	0.00	-0.54
16	Sangeeta R Gala/Raju H Gala	11,87,884	0.51	0.00	11,64,557	0.51	0.00	0.00
17	Raju H Gala/Sangeeta R Gala	11,30,374	0.48	0.00	11,08,174	0.48	0.00	0.00
18	Gnanesh D Gala/Bipin A Gala	10,37,493	0.44	0.00	10,17,120	0.44	0.00	0.00
19	Manjulaben J Gala/Jitendra L Gala	9,85,818	0.42	0.00	0	0.00	0.00	-0.42
20	Harshil Anil Gala	9,53,298	0.41	0.00	9,34,577	0.41	0.00	0.00
21	Darsha D Sampat/Dilip C Sampat	9,51,320	0.41	0.00	9,32,638	0.41	0.00	0.00
22	Jayshree J Sampat/Jaisinh K Sampat	9,14,146	0.39	0.00	8,96,195	0.39	0.00	0.00
23	Shantilal R Gala/Vimlaben S Gala/ Sandeep S Gala	9,11,808	0.39	0.00	8,93,903	0.39	0.00	0.00
24	Archit R Gala	8,86,562	0.38	0.00	8,69,150	0.38	0.00	0.00
25	Madhuriben H Gala/Kalpesh H Gala	8,64,778	0.37	0.00	8,47,794	0.37	0.00	0.00
26	Jitendra L Gala (HUF)	8,10,731	0.35	0.00	7,94,808	0.35	0.00	0.00
27	Vimlaben S Gala/Shantilal R Gala/ Sandeep S Gala	7,69,071	0.33	0.00	7,53,967	0.33	0.00	0.00
28	Bipin A Gala (HUF)	7,49,896	0.32	0.00	7,35,170	0.32	0.00	0.00
29	Shaan Sandeep Gala	5,80,512	0.25	0.00	5,69,110	0.25	0.00	0.00
30	Parth Sandeep Gala	4,90,434	0.21	0.00	4,80,800	0.21	0.00	0.00
31	Navin N Shah/Kanchan N Shah	2,92,975	0.13	0.00	0	0.00	0.00	-0.13
32	Harkhchand R Gala (HUF)	2,80,592	0.12	0.00	2,75,082	0.12	0.00	0.00
33	Pooja K Gala	2,78,857	0.12	0.00	2,73,379	0.12	0.00	0.00
34	Chandni Ketan Gala	2,60,276	0.11	0.00	2,55,162	0.11	0.00	0.00
35	Karishma Ketan Gala	2,57,295	0.11	0.00	2,52,242	0.11	0.00	0.00
36	Raju H Gala (HUF)	2,23,097	0.10	0.00	2,18,716	0.10	0.00	0.00
37	Jigna Nilesh Shah/Nilesh V Shah	1,99,675	0.09	0.00	1,99,675	0.09	0.00	0.00
38	Anil D Gala (HUF)	1,64,877	0.07	0.00	1,61,637	0.07	0.00	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shareholding during the year
		No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
39	Dilip C Sampat	1,28,796	0.06	0.00	1,26,267	0.06	0.00	0.00
40	Jaini Anil Gala	1,02,990	0.04	0.00	1,00,966	0.04	0.00	0.00
41	Henal Tanay Mehta/Bhairaviben A Gala	1,04,800	0.04	0.00	1,04,800	0.04	0.00	0.00
42	Mita Manoj Savla	96,305	0.04	0.00	96,305	0.04	0.00	0.00
43	Vimlaben Shantilal Gala/Shantilal R Gala	89,731	0.04	0.00	87,969	0.04	0.00	0.00
44	Jaisinh Ksampat/Jayshree J Sampat	87,891	0.04	0.00	86,165	0.04	0.00	0.00
45	Stuti K Gala	85,506	0.04	0.00	83,827	0.04	0.00	0.00
46	Amarchand R Gala (HUF)	78,532	0.03	0.00	76,990	0.03	0.00	0.00
47	Aditya Sanjeev Gala	66,403	0.03	0.00	65,100	0.03	0.00	0.00
48	Dungarshi R Gala (HUF)	55,593	0.02	0.00	54,501	0.02	0.00	0.00
49	Siddhant S Gala	54,141	0.02	0.00	53,078	0.02	0.00	0.00
50	Punita Chirayu Andani	51,497	0.02	0.00	50,489	0.02	0.00	0.00
51	Sanjeev Jitendra Gala/Jasmine S Gala	50,690	0.02	0.00	6,67,483	0.29	0.00	0.27
52	Sanjeev J Gala/Aditya S Gala	0	0.00	0.00	6,15,791	0.27	0.00	0.27
53	Kalpesh H Gala	7,10,729	0.30	0.00	6,96,773	0.30	0.00	0.00
54	Ketan B Gala	44,297	0.02	0.00	43,424	0.02	0.00	0.00
55	Kanchan N Shah	19,40,283	0.83	0.00	21,89,403	0.96	0.00	0.13
56	Anushka Kalpesh Gala	43,615	0.02	0.00	42,759	0.02	0.00	0.00
57	Rekhaben Kiritbhai Shah	43,750	0.02	0.00	43,750	0.02	0.00	0.00
58	Shailendra J Gala	38,428	0.02	0.00	27,48,984	1.20	0.00	1.18
59	Gnanesh D Gala	1,22,695	0.05	0.00	1,20,284	0.05	0.00	0.00
60	Shantilal R Gala	37,863	0.02	0.00	37,120	0.02	0.00	0.00
61	Manjulaben J Gala	33,129	0.01	0.00	9,41,375	0.41	0.00	0.40
62	Jaisinh Kanji Sampat	30,102	0.01	0.00	29,512	0.01	0.00	0.00
63	Mansi Kiritbhai Shah	28,125	0.01	0.00	28,125	0.01	0.00	0.00
64	Parini Kiritbhai Shah	28,125	0.01	0.00	28,125	0.01	0.00	0.00
65	Vimlaben S Gala	26,502	0.01	0.00	25,979	0.01	0.00	0.00
66	Manv S Gala	22,115	0.01	0.00	21,681	0.01	0.00	0.00
67	Manisha S Gala/Shailendra J Gala	22,115	0.01	0.00	21,681	0.01	0.00	0.00
68	Bipin A Gala	9,66,816	0.41	0.00	9,47,829	0.41	0.00	0.00
69	Jyoti Sanjiv Bhatia	15,350	0.01	0.00	15,050	0.01	0.00	0.00
70	Sandeep S Gala/Kavita S Gala	13,820	0.01	0.00	13,549	0.01	0.00	0.00
71	Anil D Gala	97,318	0.04	0.00	95,406	0.04	0.00	0.00
72	Jasmine S Gala	12,262	0.01	0.00	12,022	0.01	0.00	0.00
73	Sanjeev J Gala	12,262	0.01	0.00	14,77,704	0.65	0.00	0.64
74	Priti G Gala	9,086	0.00	0.00	8,908	0.00	0.00	0.00
75	Shantilal R Gala/Vimlaben S Gala	8,710	0.00	0.00	8,539	0.00	0.00	0.00
76	Madhuriben H Gala	20,633	0.01	0.00	20,228	0.01	0.00	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shareholding during the year
		No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares held	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
77	Raju H Gala	6,67,274	0.29	0.00	6,54,170	0.29	0.00	0.00
78	Sandeep S Gala	685	0.00	0.00	557	0.00	0.00	0.00
79	Ranjanben B Gala	9,45,611	0.40	0.00	9,27,041	0.41	0.00	0.01
		14,43,01,036	**61.78**	**0.00**	**14,16,48,842**	**61.89**	**0.00**	**0.11**

(iii) Change in Promoter's Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 01st April, 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 31st March, 2019	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	Reason	No. of Shares Held	% of Total Shares of the Company
1	Bipin A Gala/Gnanesh D Gala - Trustee for Navneet Trust	9,25,65,009	39.63	15/10/2018	20,12,919	Buyback	9,05,52,090	38.56
				29/11/2018	1,50,000	Purchase	9,07,02,090	39.63
				19/12/2018	2,17,000	Purchase	9,09,19,090	39.73
2	Amarchand R Gala (HUF)	78,532	0.03	15/10/2018	1,542	Buyback	76,990	0.03
3	Bipin A Gala (HUF)	7,49,896	0.32	15/10/2018	14,726	Buyback	7,35,170	0.32
4	Bipin A Gala/Ranjan B Gala	13,15,520	0.56	15/10/2018	25,833	Buyback	12,89,687	0.56
5	Bipin A Gala	9,66,816	0.41	15/10/2018	18,987	Buyback	9,47,829	0.41
6	Ranjan Bipin Gala/Bipin A Gala	26,50,234	1.13	15/10/2018	52,043	Buyback	25,98,191	1.14
7	Ranjan Bipin Gala	9,45,611	0.40	15/10/2018	18,570	Buyback	9,27,041	0.41
8	Ketan B Gala/Ranjan B Gala	24,57,469	1.05	15/10/2018	48,258	Buyback	24,09,211	1.05
9	Ketan B Gala	44,297	0.02	15/10/2018	873	Buyback	43,424	0.02
10	Pooja K Gala	2,78,857	0.12	15/10/2018	5,478	Buyback	2,73,379	0.12
11	Chandini Ketan Gala	2,60,276	0.11	15/10/2018	5,114	Buyback	2,55,162	0.11
12	Karishma Ketan Gala	2,57,295	0.11	15/10/2018	5,053	Buyback	2,52,242	0.11
13	Dungarshi R Gala (HUF)	55,593	0.02	15/10/2018	1,092	Buyback	54,501	0.02
14	Anil D Gala (HUF)	1,64,877	0.07	15/10/2018	3,240	Buyback	1,61,637	0.07
15	Anil D Gala/Bhairaviben A Gala	32,78,015	1.40	15/10/2018	64,375	Buyback	32,13,640	1.40
16	Anil D Gala	97,318	0.04	15/10/2018	1,912	Buyback	95,406	0.04
17	Bhairaviben A Gala/Anil D Gala	12,65,568	0.54	15/10/2018	24,853	Buyback	12,40,715	0.54
18	Harshil A Gala	9,53,298	0.41	15/10/2018	18,721	Buyback	9,34,577	0.41
19	Jaini A Gala	1,02,990	0.04	15/10/2018	2,024	Buyback	1,00,966	0.04
20	Gnanesh D Gala/Priti G Gala	31,26,796	1.34	15/10/2018	61,404	Buyback	30,65,392	1.34
21	Gnanesh D Gala	1,22,695	0.05	15/10/2018	2,411	Buyback	1,20,284	0.05
22	Priti G Gala/Gnanesh D Gala	13,74,470	0.59	15/10/2018	26,993	Buyback	13,47,477	0.59
23	Priti G Gala	9,086	0.00	15/10/2018	178	Buyback	8,908	0.00
24	Devish G Gala	14,31,241	0.61	15/10/2018	28,105	Buyback	14,03,136	0.61
25	Harakhchand R Gala (HUF)	2,80,592	0.12	15/10/2018	5,510	Buyback	2,75,082	0.12
26	Madhuriben H Gala	20,633	0.01	15/10/2018	405	Buyback	20,228	0.01
27	Madhuriben H Gala/Kalpesh H Gala	8,64,778	0.37	15/10/2018	16,984	Buyback	8,47,794	0.37
28	Kalpesh H Gala/ Madhuriben H Gala	35,63,296	1.53	15/10/2018	69,975	Buyback	34,93,321	1.53
29	Kalpesh H Gala	7,10,729	0.30	15/10/2018	13,956	Buyback	6,96,773	0.30

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 01st April, 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 31st March, 2019	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	Reason	No. of Shares Held	% of Total Shares of the Company
30	Stuti K Gala	85,506	0.04	15/10/2018	1,679	Buyback	83,827	0.04
31	Anushka Kalpesh Gala	43,615	0.02	15/10/2018	856	Buyback	42,759	0.02
32	Raju H Gala (HUF)	2,23,097	0.10	15/10/2018	4,381	Buyback	2,18,716	0.10
33	Raju H Gala /Sangeeta R Gala	11,30,374	0.48	15/10/2018	22,200	Buyback	11,08,174	0.48
34	Raju H Gala	6,67,274	0.29	15/10/2018	13,104	Buyback	6,54,170	0.29
35	Archit Raju Gala	8,86,562	0.38	15/10/2018	17,412	Buyback	8,69,150	0.38
36	Sangeeta Raju Gala/Raju H Gala	11,87,884	0.51	15/10/2018	23,327	Buyback	11,64,557	0.51
37	Shantilal R Gala (HUF)	16,83,861	0.72	15/10/2018	33,066	Buyback	16,50,795	0.72
38	Shantilal R Gala/Vimlaben S Gala/Sandeep S Gala	9,11,808	0.39	15/10/2018	17,905	Buyback	8,93,903	0.39
39	Shantilal R Gala/Vimlaben S Gala	8,710	0.00	15/10/2018	171	Buyback	8,539	0.00
40	Shantilal R Gala	37,863	0.02	15/10/2018	743	Buyback	37,120	0.02
41	Vimlaben S Gala/Shantilal R Gala/Sandeep S Gala	7,69,071	0.33	15/10/2018	15,104	Buyback	7,53,967	0.33
42	Vimlaben S Gala/Shantilal R Gala	89,731	0.04	15/10/2018	1,762	Buyback	87,969	0.04
43	Vimlaben S Gala	26,502	0.01	15/10/2018	523	Buyback	25,979	0.01
44	Sandeep S Gala/Vimlaben S Gala	19,52,974	0.84	15/10/2018	38,352	Buyback	19,14,622	0.84
45	Sandeep S Gala/Kavita S Gala	13,820	0.01	15/10/2018	271	Buyback	13,549	0.01
46	Sandeep S Gala	685	0.00	15/10/2018	128	Buyback	557	0.00
47	Shaan Sandeep Gala	5,80,512	0.25	15/10/2018	11,402	Buyback	5,69,110	0.25
48	Parth Sandeep Gala	4,90,434	0.21	15/10/2018	9,634	Buyback	4,80,800	0.21
49	Jitendra L Gala (HUF)	8,10,731	0.35	15/10/2018	15,923	Buyback	7,94,808	0.35
50	Jitendra L Gala/Manjulaben J Gala	29,31,365	1.26	09/08/2018	-29,31,365	Transmission	0	0
51	Manjulaben J Gala	33,129	0.01	09/08/2018	29,31,365	Transmission	29,64,494	1.27
				09/08/2018	9,85,818	Deletion of 2nd holder due to death	39,50,312	1.69
				15/10/2018	77,572	Buyback	38,72,740	1.69
				18/12/2018	-14,65,682	Transmission	24,07,058	1.05
				20/12/2018	-14,65,383	Transmission	9,41,375	0.41
52	Manjulaben J Gala/Jitendra L Gala	9,85,818	0.42	09/08/2018	-9,85,818	Deletion of 2nd holder due to death	0	0
53	Shailendra J Gala/Jitendra L Gala	12,70,580	0.54	09/08/2018	12,70,580	Deletion of 2nd holder due to death	0	0
54	Shailendra J Gala	38,428	0.02	09/08/2018	12,70,580	Deletion of 2nd holder due to death	13,09,008	0.56
				15/10/2018	25,707	Buyback	12,83,301	0.56
				20/12/2018	14,65,683	Transmission	27,48,984	1.20
55	Manisha S Gala/Shailendra J Gala	22,115	0.01	15/10/2018	434	Buyback	21,681	0.01
56	Siddhant S Gala	54,141	0.02	15/10/2018	1,063	Buyback	53,078	0.02
57	Manav Shailendra Gala	22,115	0.01	15/10/2018	434	Buyback	21,681	0.01

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 01st April, 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 31st March, 2019	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	Reason	No. of Shares Held	% of Total Shares of the Company
58	Sanjeev J Gala/Manjulaben J Gala	12,58,294	0.54	15/10/2018	24,712	Buyback	12,33,582	0.54
				18/12/2018	-6,17,791	off market sale	6,15,791	0.27
				20/12/2018	-6,15,791	off market sale	0	0
59	Sanjeev J Gala/Aditya S Gala	0	0	20/12/2018	6,15,791	off market transfer	6,15,791	0.27
60	Sanjeev J Gala/Jasmine S Gala	50,690	0.02	15/10/2018	998	Buyback	49,692	0.02
				18/12/2018	6,17,791	off market transfer	6,67,483	0.29
61	Sanjeev J Gala	12,262	0.01	15/10/2018	240	Buyback	12,022	0.01
				18/12/2018	14,65,682	Transmission	14,77,704	0.65
62	Jasmine S Gala	12,262	0.01	15/10/2018	240	Buyback	12,022	0.01
63	Aditya Sanjeev Gala	66,403	0.03	15/10/2018	1,303	Buyback	65,100	0.03
66	Jayshree J Sampat/Jaisinh K Sampat	9,14,146	0.39	15/10/2018	17,951	Buyback	8,96,195	0.39
67	Dilip C Sampat	1,28,796	0.06	15/10/2018	2,529	Buyback	1,26,267	0.06
68	Punita C Andani	51,497	0.02	15/10/2018	1,008	Buyback	50,489	0.02
69	Darsha D Sampat/Dilip C Sampat	9,51,320	0.41	15/10/2018	18,682	Buyback	9,32,638	0.41
70	Jyoti Sanjiv Bhatia	15,350	0.01	15/10/2018	300	Buyback	15,050	0.01
71	Navin N Shah/Kanchanben N Shah	2,92,975	0.13	02/04/2018	-2,92,975	Deletion of 1st holder due to death	0	0
72	Kanchan Navin Shah	19,40,283	0.83	02/04/2018	2,92,975	Transmission	22,33,258	0.96
				15/10/2018	43,855	Buyback	21,89,403	0.96
73	Gnanesh D Gala/Bipin A Gala	10,37,493	0.44	15/10/2018	20,373	Buyback	10,17,120	0.44

Note: 16th October, 2018 was settlement date for buyback of equity shares by the Company.

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	Reason	No. of Shares Held	% of Total Shares of the Company
1	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAP OPPORTUNITIES FUND	1,98,03,805	8.48					
				18 May 2018	12,497	Purchase	1,98,16,302	8.66
				08 Jun 2018	-35,859	Sale	1,97,80,443	8.64
				15 Jun 2018	-19,477	Sale	1,97,60,966	8.63
				15 Oct 2018	-3,88,049	Buyback	1,93,72,917	8.46
2	FRANKLIN INDIA SMALLER COMPANIES FUND	79,77,861	3.42					
				31 Aug 2018	2,00,000	Purchase	81,77,861	3.57
				07 Sep 2018	88,237	Purchase	82,66,098	3.61
				14 Sep 2018	11,763	Purchase	82,77,861	3.62
				12 Oct 2018	19,087	Purchase	82,96,948	3.63
				19 Oct 2018	46,854	Purchase	83,43,802	3.65
				26 Oct 2018	1,11,496	Purchase	84,55,298	3.69

Sr. No.	Name	Shareholding at the beginning of the year - 2018		Transactions during the year			Cumulative Shareholding at the end of the year - 2019	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	Reason	No. of Shares Held	% of Total Shares of the Company
				23 Nov 2018	1,50,000	Purchase	86,05,298	3.76
				30 Nov 2018	50,000	Purchase	86,55,298	3.78
				07 Dec 2018	1,04,194	Purchase	87,59,492	3.83
				14 Dec 2018	12,555	Purchase	87,72,047	3.83
				28 Dec 2018	8,723	Purchase	87,80,770	3.84
				31 Dec 2018	5,096	Purchase	87,85,866	3.84
				04 Jan 2019	14,616	Purchase	88,00,482	3.85
				11 Jan 2019	28,186	Purchase	88,28,668	3.86
				01 Feb 2019	20,397	Purchase	88,49,065	3.87
				08 Feb 2019	85,652	Purchase	89,34,717	3.90
				15 Feb 2019	87,967	Purchase	90,22,684	3.94
				22 Feb 2019	20,126	Purchase	90,42,810	3.95
				01 Mar 2019	43,105	Purchase	90,85,915	3.97
				08 Mar 2019	3,53,650	Purchase	94,39,565	4.12
				15 Mar 2019	22,060	Purchase	94,61,625	4.13
				22 Mar 2019	51,946	Purchase	95,13,571	4.16
				29 Mar 2019	49,359	Purchase	95,62,930	4.18
3	UTI - CHILDRENS CAREER BALNCED PLAN	50,42,945	2.16					
				06 Apr 2018	-3,91,085	Sale	46,51,860	2.03
				14 Sep 2018	-23,826	Sale	46,28,034	2.02
				15 Oct 2018	-83,986	Buyback	45,44,048	1.99
4	SOMERSET EMERGING MARKETS SMALL CAP FUND LLC	47,46,121	2.03	13 Jul 2018	-8,112	Sale	47,38,009	2.07
				27 Jul 2018	-16,569	Sale	47,21,440	2.06
				03 Aug 2018	-1,97,061	Sale	45,24,379	1.98
				10 Aug 2018	-98,968	Sale	44,25,411	1.93
				17 Aug 2018	-1,18,366	Sale	43,07,045	1.88
				24 Aug 2018	-4,79,739	Sale	38,27,306	1.67
				31 Aug 2018	-6,43,000	Sale	31,84,306	1.39
5	KOTAK EMERGING EQUITY SCHEME	36,88,322	1.58					
				30 Jun 2018	-1,435	Sale	36,86,887	1.61
				15 Oct 2018	-80,174	Buyback	36,06,713	1.58
6	SUNDARAM MUTUAL FUND A/C SUNDARAM EMERGING SMALL CAP - SERIES I	14,70,838	0.63					
				03 Aug 2018	-97,239	Sale	13,73,599	0.60
				31 Aug 2018	6,700	Purchase	13,80,299	0.60
7	NEMISH S SHAH	14,68,192	0.63	-	-	-	14,68,192	0.64
8	JPMORGAN INDIA SMALLER COMPANIES FUND	12,85,636	0.55	-	-	-	12,85,636	0.56
9	INTERACTIVE TECHNOLOGIES PVT LTD	12,38,114	0.53					
				15 Oct 2018	-21,849	Buyback	12,16,265	0.53
10	IIFL RE ORGANIZE INDIA EQUITY FUND	10,95,531	0.47					
				15 Oct 2018	-23,823	Buyback	10,71,708	0.47

Note: 16th October, 2018 was settlement date for buyback of equity shares by the Company.

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	Shri Kamlesh S Vikamsey	-	-	-	-	-	-	-
2	Shri Gnanesh D Gala	32,49,491	1.39	15/10/2018	63,815	Buyback	31,85,676	1.39
3	Shri Raju H Gala	17,97,648	0.77	15/10/2018	35,304	Buyback	17,62,344	0.77
4	Shri Bipin A Gala	22,82,336	0.97	15/10/2018	44,820	Buyback	22,37,516	0.97
5	Shri Anil D Gala	33,75,333	1.44	15/10/2018	66,287	Buyback	33,09,046	1.44
6	Shri Shailendra J Gala	13,09,008	0.56	15/10/2018	25,707	Buyback	12,83,301	0.56
				20/12/2018	14,65,683	Transmission	27,48,984	1.20
7	Shri Atul J Shethia	-	-	-	-	-	-	-
8	Shri Nilesh S Vikamsey	-	-	-	-	-	-	-
9	Shri Mohinder Pal Bansal	-	-	-	-	-	-	-
10	Shri Tushar K Jani	-	-	-	-	-	-	-
11	Dr. Vijay B Joshi	1,050	0.00	-	-	-	1,050	0.00
12	Smt. Usha Laxman	-	-	-	-	-	-	-
13	Shri Amit D Buch	-	-	-	-	-	-	-
14	Shri Deepak Kaku	-	-	-	-	-	-	-

Note: 16th October, 2018 was settlement date for buyback of equity shares by the Company.

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding /accrued but not due for payment (₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	12,793	8,400	-	21,193
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	4	-	-	4
Total (i+ii+iii)	**12,797**	**8,400**	**-**	**21,197**
Change in Indebtedness during the financial year				
Addition	54,800	1,20,300	-	1,75,100
Reduction	(64,593)	(1,02,200)	-	(1,66,793)
Net Change	**(9,793)**	**18,100**	**-**	**8,307**

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	UnSecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
(i) Principal Amount	3,000	26,500	-	29,500
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	1	-	1

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and /or Manager:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	MD Shri Gnanesh D Gala	JMD Shri Raju H Gala	WTD Shri Bipin A Gala	WTD Shri Anil D Gala	WTD Shri Shailendra J Gala	WTD Shri Atul J Shethia	Total
1	**Gross Salary** (a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	1,43,75,441	1,49,08,373	1,37,62,567	1,43,22,147	1,23,70,639	78,54,480	7,75,93,647
	(b) Value of Perquisites u/s.17(2) of the Income-Tax Act, 1961	-	-	-	-	-	-	-
	(c) Profits in lieu of salary u/s.17 (3) of the Income-Tax Act, 1961	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-
	- others, specify....	-	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-	-
	Total (A)	**1,43,75,441**	**1,49,08,373**	**1,37,62,567**	**1,43,22,147**	**1,23,70,639**	**78,54,480**	**7,75,93,647**
	Ceiling as per Act	10% of net profit of the Company						

B. Remuneration to other Directors:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Shri Kamlesh S Vikamsey	Shri Nilesh S Vikamsey	Shri Mohinder Pal Bansal	Shri Tushar K Jani	Shri Vijay B Joshi	Smt. Usha Laxman	Total
1	**Independent Directors**							
	Fees for attending Board/ Committee Meetings	1,30,000	80,000	2,20,000	1,40,000	2,50,000	1,60,000	9,80,000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total Managerial Remuneration	**1,30,000**	**80,000**	**2,20,000**	**1,40,000**	**2,50,000**	**1,60,000**	**9,80,000**
	Overall Ceiling as per Act	1% of net profit of the Company						

C. Remuneration To Key Managerial Personnel (Other Than MD/Manager/WTD) (Amount in ₹)

Sr No	Particulars of Remuneration	Company Secretary	CFO	Total
1	**Gross Salary** (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	34,10,504	46,20,888	80,31,392
	(b) Value of Perquisites u/s.17(2) of the Income-Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary u/s.17(3) of the Income-Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, please specify	0	0	0
	Total	**34,10,504**	**46,20,888**	**80,31,392**

VII PENALTIES /PUNISHMENT/COMPOUNDING OFFENCES

Type	Section of the companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees Imposed	Authority (RD / NCLT/COURT)	Appeal made,if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure - 'C'

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Navneet Education Limited
(CIN: L22200MH1984PLC034055)
Navneet Bhavan,
Near Shardasharan Society,
Bhavani Shanker Road,
Dadar(W), Mumbai 400028

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Navneet Education Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2019 **('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during Audit Period);**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during Audit Period);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during Audit Period);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during Audit Period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) Other Laws applicable specifically to the Company, identified and confirmed by the Company and relied upon by me are as under:

(a) Press and Registration of Books Act, 1867

(b) Copyright Act 1957 read with Copyrights Rules, 2013

(c) The Trade Marks Act, 1999 read with Trade Marks Rules, 2012

(d) The Information Technology Act, 2000

(e) Legal Metrology Act, 2009

(f) Delivery of Books and Newspapers (Public Libraries) Act, 1954

(g) Air (Prevention and Control of Pollution) Act, 1981

(h) Water (Prevention and Control of Pollution) Act, 1974

(i) The Noise (Regulation and Control) Rules, 2000

(j) Environment Protection Act, 1986 and other environmental laws

(k) Hazardous Wastes (Management, Handling And Transboundary Movement) Rules, 2008.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the Audit Period under review and as per the representations and clarifications made, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period under review, in my view, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with my letter of even date which is annexed as **Appendix - I** and forms an integral part of this report.

For Sunil M. Dedhia & Co.

sd/-

CS Sunil M. Dedhia

Proprietor

FCS No: 3483 C.P. No. 2031

Place: Mumbai

Date: 15th May, 2019

Appendix - I

To,
The Members,
Navneet Education Limited,
(CIN: L22200MH1984PLC034055)
Navneet Bhavan,
Near Shardasharan Society.
Bhavani Shanker Road,
Dadar(W), Mumbai 400028

My report of even date is to be read along with this letter.

Management's Responsibility

(1) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

Auditor's Responsibility

(2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

(3) I have not verified the correctness and appropriate of financial records and Books of Accounts of the Company.

(4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. My examination was limited to the verification of procedures on test basis.

Disclaimer

(6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Sunil M. Dedhia & Co.

sd/-
CS Sunil M. Dedhia
Proprietor
FCS No: 3483 C.P. No. 2031

Place: Mumbai
Date: 15th May, 2019

Annexure - 'D'

Form AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with rule 5 of Companies (Account) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE

SUBSIDIARIES (₹ in Lakhs)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit / (Loss) Before Tax	Provision for Tax	Other Comprehensive Income	Total of Profit / (Loss) and other Comprehensive Income	Proposed Dividend	% of Share-holding
1	eSense Learning Private Limited	₹	2,363	(3,031)	1,715	2,383	-	2,361	(113)	-	22	(91)	-	100%
2	Navneet Learning LLP	₹	9,163	-	9,163	-	9,159	-	(2)	-	-	(2)	-	93%
3	Indiannica Learning Private Ltd	₹	4,935	(3,971)	12,289	11,325	-	6,494	(2,941)	76	2	(2,863)	-	100%
4	Navneet (HK) Limited	HK$	34	(6)	30	2	-	213	(4)	-	-	(4)	-	70%

Annexure - 'E'

To,
The Members of,
Navneet Education Limited

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Based on the engagement by the management of Navneet Education Limited ('the Company'), we have examined details of compliance of conditions of Corporate Governance by the Company for the year ended 31st March 2019 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (as amended) pursuant to the Listing Agreement of the Company with Stock exchange.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2019.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. Our examination was limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause/Regulation as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

6. We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us and representations made by the Directors and management, we certify that during the year ended 31st March, 2019, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and Listing Regulations as applicable mentioned in para 1 above.

9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose of compliance with the requirement of the Listing Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

sd/-
Sandeep Shah
Partner
Membership No.: 37381
UDIN: 19037381AAAAAY4484

Place: Mumbai
Date: 15th May, 2019

CORPORATE GOVERNANCE REPORT

(1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to good corporate governance. Good Corporate Governance is easy to recognise. It is an on going journey and not one - off initiatives. Good Corporate Governance is built on foundation of compliances, transparency, accountability and trust. Good governance is therefore a strategic advantage that enhances economic performance and promotes financial stability, stronger growth and sustained value creation. Good Corporate Governance is reflected in investors' confidence and trust, employee loyalty, effective stakeholder relationships and adoption of good corporate governance shall ensure that all the concerned parties associated with the Company obtain requisite information which would help them to make informed decision.

(2) BOARD OF DIRECTORS

(a) Composition and Board Diversity

The Company has very balanced and diverse Board of Directors. The Non-Executive Directors including Independent Directors on the Board are well qualified and experienced and highly renowned persons. They take active part at the Board and Committee Meetings by providing valuable inputs, guidance and advise to the Board and Management on various aspect of business and policy decisions.

The Board of Directors of the Company is broad- based, consisting of twelve Directors. Since the Company has a Non-Executive Chairman, the Board meets the stipulated requirement of at least one third of the Board of Directors comprising of Independent Directors. Brief particulars of Directors who are being appointed/ re-appointed at the ensuing Annual General Meeting ('AGM'), nature of expertise in specific functional area and other statutorily required details is provided in the Notice convening AGM.

(b) Category of Directors, Number of Board meetings held and attendance at Board Meeting and last AGM by Directors

During the year 2018-19, six (6) board meetings were held on 10th May, 2018, 1st August, 2018, 20th August, 2018, 31st October, 2018, 4th February, 2019 and 28th March, 2019. The details of category of each Director, attendance by Directors at the above board meetings and attendance at last AGM by the Directors for the year is given below:

Sr. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM
1.	Shri Gnanesh D. Gala	P& ED	6	Yes
2.	Shri Raju H. Gala	P&ED	5	No
3.	Shri Bipin A. Gala	P&ED	4	Yes
4.	Shri Anil D. Gala	P & ED	6	Yes
5.	Shri Shailendra J. Gala	P& ED	5	Yes
6.	Shri Atul J.Shethia	ED	4	Yes
7.	Shri Kamlesh S. Vikamsey	NI&NED	6	Yes
8.	Shri Nilesh S.Vikamsey	NI&NED	3	Yes
9.	Smt. Usha Laxman	I &NED	4	Yes
10.	Shri Tushar K. Jani	I &NED	3	No
11.	Shri Mohinder Pal Bansal	I &NED	6	Yes
12.	Dr. Vijay B. Joshi	I&NED	6	Yes

P & ED-Promoter & Executive Director, ED -Executive Director, I & NED – Independent & Non - Executive Director, NI & NED - Non Independent & Non-Executive Director.

(c) Directorship in other Public Limited Companies as on 31st March, 2019:

Sr. No.	Name of Director	No. of Directorship*	No. of Committee Positions held**	No. of Committee Chaired**
1	Shri Gnanesh D. Gala	1	1	1
2	Shri Raju H. Gala	1	1	0
3	Shri Bipin A. Gala	0	0	0
4	Shri Anil D. Gala	1	0	0
5	Shri Shailendra J. Gala	0	0	0
6	Shri Atul J.Shethia	0	0	0
7	Shri. Kamlesh S. Vikamsey	9	8	5
8	Shri. Nilesh S.Vikamsey	9	10	2
9	Smt. Usha Laxman	0	0	0
10	Shri Tushar K. Jani	2	1	0
11	Shri Mohinder Pal Bansal	6	3	3
12	Dr. Vijay B. Joshi	0	0	0

* The Directorship held by directors as mentioned above includes private limited company which is subsidiary of a public limited company, company whose specified security is listed on recognised stock exchange and do not include directorship in foreign company, Section 8 company and private limited company.

** Committee of Directors includes Audit Committee & Stakeholders' Relationship Committee.

(d) Names of listed companies where a Director is a Director and category of Directorship:

Sr. No.	Name of Director	Name of listed company where Director	Category of Director
1	Shri Gnanesh D. Gala	(i) Shemaroo Entertainment Ltd.	(i)Independent Director
2	Shri Raju. H. Gala	Nil	NA
3	Shri Bipin A. Gala	Nil	NA
4	Shri Anil D. Gala	Nil	NA
5	Shri Shailendra J. Gala	Nil	NA
6	Shri Atul J.Shethia	Nil	NA
7	Shri Kamlesh. S. Vikamsey	(i) Man Infraconstruction Ltd. (ii) Tribhovandas Bhimji Zaveri Ltd. (iii) Apcotex Industries Limited (iv) GIC Housing Finance Limited (v) Container Corporation Of India Ltd.# (vi) PTC India Financial Services Ltd.	(i) Independent Director (ii)Independent Director (iii)Independent Director (iv)Independent Director (v) Independent Director Part Time Non-Official (Independent Director) (vi)Independent Director

Sr. No.	Name of Director	Name of listed company where Director	Category of Director
8	Shri Nilesh S.Vikamsey	(i) IIFL Holdings Ltd. (ii) SBI Life Insurance Company Ltd. (iii) Thomas Cook (India) Ltd. (iv) PNB Housing Finance Ltd. (v) India Infoline Finance Ltd. (vi) The Federal Bank Ltd.	(i) Independent Director (ii)Independent Director (iii)Independent Director (iv)Independent Director (v)Independent Director (vi)Independent Director
9	Smt. Usha Laxman	Nil	NA
10	Shri Tushar K. Jani	Nil	NA
11	Shri Mohinder Pal Bansal	(i) Allcargo Logistics Ltd.	(i)Independent Director
12	Dr. Vijay B. Joshi	Nil	NA

#Term as Non-Official (Independent Director) expired on 31-03-2019.

(e) Relationship between directors inter-se:

Shri Anil D. Gala and Shri Gnanesh D. Gala are related as brother. Shri Kamlesh S. Vikamsey and Shri Nilesh S. Vikamsey are related as brother.

(f) Shares held by Non- Executive Directors in the Company as on 31st March, 2019:

Name of Director	No. of shares held	% of share-holding
Shri Kamlesh S. Vikamsey	-	-
Shri Nilesh S. Vikamsey	-	-
Shri Tushar K. Jani	-	-
Shri Mohinder Pal Bansal	-	-
Dr. Vijay B. Joshi	1,050	0.00
Smt. Usha Laxman	-	-

(g) Details of familiarisation programme:

Under Regulation 27(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, the Company has to put in its place the familiarisation programme of the Company for the non-executive and Independent Directors. The objective of familiarisation programme is to ensure that non-executive and Independent Directors are updated on the business environment and overall operations of the Company. This would enable them to take better informed decisions in the interest of the Company and its stakeholders.

The Board members were regularly apprised with the overview of the Company and briefed about the industry's specific issues to enable them to understand the business environment in which the Company operates. During the Board meeting on a quarterly basis, a presentation about the performance of business units and future strategy were made to the Board of Directors. The Board members were provided necessary documents, reports and other presentations about the Company from time to time. Further, the Board was also regularly apprised of all regulatory and policy changes. An overview of the familiarisation programme is placed on the Company's website www.navneet.com

Performance and Evaluation of Directors

The Listing Regulations and the Companies Act, 2013 requires that the Board of Directors shall evaluate the effectiveness of the Board. The Company has laid down criteria for the performance of executive /Independent/ non-independent and non-executive Directors and the Chairman. One of the key functions of the Board is to monitor and review the Board evaluation framework. During the year, the performance evaluation was carried out internally which included the Board, committee and Directors independently. Each Board member was requested to evaluate the effectiveness of the Board, dynamics and relationships information flow, decision making of the directors, relationship to stakeholders, company's performance and the effectiveness of the whole board and its committees on a scale of one to five. Kindly refer para on Board Evaluation mentioned in Report of Board of Directors forming part of this Annual Report.

(h) Criteria setting out the skills/expertise/competence identified by the Board of Directors:

The Board of Directors ('Board') has not established specific minimum age, education, years of business experience or specific types of skills for appointing any individual as a Board member, but, in general, expects an individual to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values and loyalty to the interest of the Company and its stakeholders.

The Board would generally ensure that an individual should have ability to exercise objectivity and independence in making informed business decisions, willingness and commitment to devote the required time to fulfil his/her duties, ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board including a willingness to listen and respect the views of others.

The Board would also assess individual's skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in international operations, public service, finance, accounting, strategic planning, technology and marketing.

The Company believes that an effective and diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage.

The ultimate objective is to have a Board that offers a broad range of perspectives that are directly relevant to the business and organizational needs.

(i) Independent Directors are non - executive directors as defined under Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 along with rules made thereunder. Based on the declarations received from Independent Directors, the Board of Directors has confirmed that they meet criteria of independence as mentioned under Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 along with rules made thereunder and that they are independent of the management.

(3) AUDIT COMMITTEE

(a) The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role and terms of reference of the Audit Committee covers matters mentioned in Regulation 18(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which, inter alia, include overseeing financial reporting process, accounting policies and practices, reviewing periodic financial results, adequacy of Internal Audit function, related party transactions, and discussion with internal and statutory auditors.

(b) Terms of Reference

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process. The Audit Committee, inter-alia, performs the functions of discussing and reviewing quarterly and audited financial results, recommendation of appointment of statutory auditors and their remuneration, recommendation of appointment and remuneration of internal auditors, review of Internal Audit Reports, approval and review of related party transactions. For the smooth and effective functioning, the Audit Committee has also powers to investigate any activity within its terms of reference, to seek information from employees and obtain outside and legal/ professional advise. In addition to the above, the other role and terms of reference of the Audit Committee cover the matters as specified in Section 177 of the Companies Act, 2013 read with Regulation 18(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(c) Composition, name of members, Chairman, number of meetings held and attended during the year

- During the year 2018-19, four (4) Audit Committee Meetings were held on 10th May, 2018, 1st August, 2018, 31st October, 2018 and 4th February, 2019.

- The composition of the Audit Committee and other relevant details are as under:-

Name of Director	Category	No. of meetings Attended
Shri Mohinder Pal Bansal (Chairman of the Committee)	I & NED	4
Shri Tushar K. Jani	I & NED	2
Dr. Vijay B. Joshi	I & NED	4
Shri Nilesh S. Vikamsey	NI & NED	2
Smt. Usha Laxman	I & NED	3

I & NED - Independent & Non - Executive Director, NI & NED - Non Independent & Non - Executive Director.

At the invitation of the Company, senior representatives from various divisions of the Company, internal auditors, statutory auditors and Company Secretary who acts as secretary to the Audit Committee attended the Audit Committee Meetings to respond to the various queries raised at the Audit Committee meetings.

(4) NOMINATION AND REMUNERATION COMMITTEE

(a) Broad Terms of Reference

The broad Terms of Reference of Nomination and Remuneration Committee are to evaluate and appraise the performance of the Managing / Executive Directors and Senior Management Personnel, determine and recommend to the Board the compensation payable to them. The other terms of Nomination and Remuneration Committee shall be as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013.

(b) Remuneration Policy

The remuneration policy of the Company is based on performance of senior managerial personnels. The remuneration policy is in consonance with existing industry practice.

During the year two (2) Nomination and Remuneration Committee meeting were held on 27th April, 2018 and on 28th March, 2019. The composition of Nomination and Remuneration Committee and other relevant details are as under:

Name of Director	Category	No. of Meetings Attended
Shri Tushar K. Jani (Chairman of the Committee)	I & NED	2
Dr. Vijay B. Joshi	I & NED	2
Smt Usha Laxman	I & NED	2
Shri Kamlesh S. Vikamsey	NI & NED	1

I & NED - Independent & Non - Executive Director, NI & NED - Non Independent & Non - Executive Director.

(5) Remuneration of Directors

(a) Pecuniary relationship or transactions of the Independent & Non-Executive Directors and Non Independent & Non-Executive Directors and vis-a-vis the Company.

- There were no pecuniary relationship or transaction of the Independent & Non-Executive Directors and Non-Independent & Non-Executive Directors of the company vis-a-vis the Company.

- Independent & Non-Executive Directors and Non Independent & Non-Executive Directors are paid sitting fees for attending the meeting of the Board of Directors and its committee meetings.

(b) Criteria for making payment to the Non -Executive Directors

The role of the Independent & Non-Executive Directors and Non-Independent & Non-Executive Directors of the Company is not just restricted to Corporate Governance or outlook of the Company but they also bring with them significant professional experience and expertise across the whole spectrum of the functional area such as production, marketing, corporate strategy, legal, finance and other corporate functions. The Company seeks their expert advise on various matters relating to the business of the Company.

(i) The details of remuneration and sitting fees paid / provided to each Director during FY 2018-19 for attending Board and committee meetings are as detailed hereunder:

(₹ in Lakhs)

Sr. No.	Name of Director	Category	Salary	Bonus	Other Benefits	Contri. To PF	Sitting Fees	Total remuneration
1	Shri Gnanesh D.Gala	P&ED	68.52	13.70	61.90	8.22	-	152.34
2	Shri Raju H. Gala	P&ED	68.52	13.70	67.23	8.22	-	157.67
3	Shri Bipin A.Gala	P&ED	68.52	13.70	55.77	8.22	-	146.21
4	Shri Anil D. Gala	P&ED	68.52	13.70	61.36	8.22	-	151.81
5	Shri Shailendra J. Gala	P&ED	64.32	12.86	46.85	7.72	-	131.75
6	Shri Atul J. Shethia	ED	48.00	9.60	24.00	5.76	-	87.36
7	Shri Kamlesh S. Vikamsey	NI & NED	-	-	-	-	1.30	1.30
8	Shri Nilesh S. Vikamsey	NI & NED	-	-	-	-	0.80	0.80
9	Smt. Usha Laxman	I & NED	-	-	-	-	1.60	1.60
10	Shri Tushar K. Jani	I & NED	-	-	-	-	1.40	1.40
11	Shri Mohinder Pal Bansal	I & NED	-	-	-	-	2.20	2.20
12	Dr. Vijay B. Joshi	I & NED	-	-	-	-	2.50	2.50

P & ED - Promoter & Executive Director, ED - Executive Director, NI & NED - Non Independent & Non-Executive Director, I & NED - Independent & Non - Executive Director.

Note: The above figure excludes provision for gratuity and leave benefits which have been actually determined on overall basis.

(ii) The Promoter & Executive Directors and Executive Director of the Company have been appointed on a contractual basis, in terms of the resolutions passed by the shareholders at the Annual General Meeting. Elements of remuneration comprises of salary, perquisite and other benefits as approved by the shareholders at the Annual General Meeting. The Executive Directors are required to give 90 days notice to the Company for termination of service agreement. There is no separate provision for payment of severance fees. However, Non-Independent and Non-Executive Directors and Independent Directors are not subject to any notice period and severance fees.

(iii) Employees Stock Option Scheme (ESOS).

The Company do not have any Employees Stock Option Scheme (ESOS).

(6) STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) Brief terms of reference of the Committee, *inter-alia,* cover reviewing status of share transfer/ transmissions of shares, issue of duplicate share certificates, non-receipt of Annual Report, non-receipt of declared dividends, review/ redresser of Investors' Grievance.

(b) The composition of Stakeholders Relationship Committee and other relevant details are as under:

Name of Director	Category	No. of Meetings Attended
Shri Tushar K. Jani (Chairman of the Committee)	I & NED	2
Shri Mohinder Pal Bansal	I & NED	4
Dr. Vijay B. Joshi	I & NED	4
Shri Gnanesh D. Gala	P & ED	4

I & NED - Independent & Non - Executive Director, P & ED - Promoter & Executive Director

(c) Shri Amit D. Buch, Company Secretary is the "Compliance Officer".

(d) During the year fourteen complaints were received and out of them two complaints were outstanding as on 31st March, 2019. These two complaints were also resolved post 31st March, 2019.

(7) GENERAL MEETINGS

(a) The details of last three Annual General Meetings held are given below:-

Financial Year & Meeting No.	Day & Date	Time	Venue
2017-18 Thirty Second	Tuesday, 24th July, 2018	3.30 p.m.	P.L. Deshpande Maharashtra Kala Academy, Mini Theatre, 3rd Floor, Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai - 400025.
2016-17 Thirty First	Thursday, 3rd August, 2017	3:30 p.m.	P.L. Deshpande Maharashtra Kala Academy, Mini Theatre, 3rd Floor, Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai - 400025.
2015-16 Thirtieth	Tuesday, 23rd August, 2016	3.30 p.m.	P.L. Deshpande Maharashtra Kala Academy, Mini Theatre, 3rd Floor, Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai - 400025.

(b) Special Resolutions passed at last three Annual General Meetings.

(i) At the 32nd AGM held on 24th July, 2018, no Special Resolution was passed.

(ii) At the 31st AGM held on 3rd August, 2017, no Special Resolution was passed.

(iii) At the 30th AGM held on 23rd August, 2016, no Special Resolution was passed.

(c) Passing of Resolutions by Postal Ballot

No resolutions were passed last year i.e. in FY 2018-19 through postal ballot. Hence, giving details of the person who conducted the postal ballot exercise and procedure for postal ballot are not required. No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this report.

(8) MEANS OF COMMUNICATIONS

The Company publishes its unaudited/ audited quarterly financial results and audited financial results for the entire financial year in 'The Economic Times' and 'Maharashtra Times' newspapers in Mumbai. The said results and official news release, if any, are disclosed on the website of the Company at www.navneet.com, after the same is submitted to the stock exchange where the shares of the Company are listed. The Company also hosts any presentation shared/ made to analysts/ institutional investors on website of the Company at www.navneet .com. The said presentation is also submitted to the stock exchange where the shares of the Company are listed.

(9) GENERAL SHAREHOLDER INFORMATION

(a) 33rd Annual General Meeting :

Date : 24th July, 2019
Time : 10.30 a.m.
Venue : M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001.

(b) Financial Year: April to March.

(c) Dividend payment during the year under review:

The Board of Directors has recommended dividend of ₹1/- per share (50%) for the FY 2018-19. The dividend as recommended, if declared by the shareholders at the ensuing Annual General Meeting to be held on Wednesday, 24th July, 2019 would be paid to those eligible shareholders whose names appeared in Company's Register of Members on book closure date.

(d) Financial Calendar for FY 2019-20 (tentative and subject to change):

Board Meetings to be held for approving Quarterly Results:

(i) Quarter ending 30th June, 2019, 30th September, 2019, 31st December, 2019: within 45 days from the date of closure of the respective quarter.

(ii) For the financial year ending 31st March, 2020:

within 60 days of close of the financial year.

(iii) AGM for the financial year ending 31st March, 2020: by July/ August, 2020.

(e) Date of Book Closures:

The Company's Register of Members and Share Transfer Books will remain closed for the purpose of Annual General Meeting and payment of dividend from Wednesday, 17th July, 2019 to Wednesday 24th July, 2019 (both days inclusive).

(f) Listing of Shares:

The shares of the Company are listed on the following Stock Exchanges:

(i) BSE Ltd.
Phiroze Jeejebhoy Towers, Dalal Street, Mumbai - 400001

(ii) National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051

The Listing Fees for FY 2019-20 have been paid to both the above Stock Exchanges.

(g) Stock and ISIN Code of Company's shares:

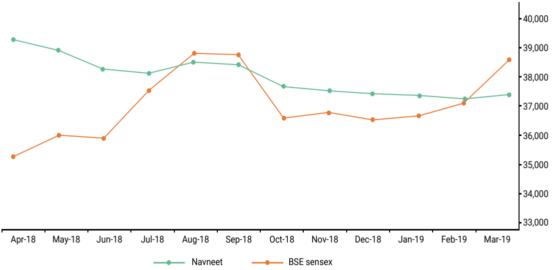
BSE : 508989 NSE : NAVNETEDUL
ISIN : INE 060A01024

(h) Volume of Shares traded and Stock Price Movement on a month to month basis :

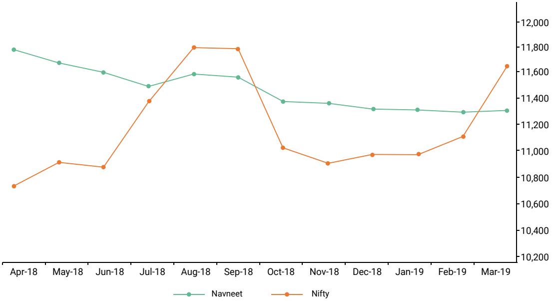
Month	BSE No. of Shares	NSE No. of Shares	BSE (High)(₹)	BSE (Low)(₹)	NSE (High)(₹)	NSE (Low)(₹)
April, 2018	86,043	1,451,332	158.35	143.50	158.00	143.00
May, 2018	86,586	846,953	147.65	125.05	148.80	125.50
June, 2018	131,628	1,292,869	134.95	117.50	132.95	116.00
July, 2018	120,873	1,182,842	130.00	108.60	130.00	109.00
August, 2018	2,308,945	10,611,202	139.40	113.40	139.25	112.00
September, 2018	339,143	1,493,437	137.00	111.00	136.85	110.55
October, 2018	293,279	1,574,427	118.00	99.15	117.50	98.65
November, 2018	196,967	1,513,092	114.25	104.00	115.00	104.05
December, 2018	135,060	940,937	112.40	101.25	112.40	101.10
January, 2019	65,490	611,043	111.60	103.15	111.00	104.70
February, 2019	64,674	906,829	110.00	101.15	108.20	100.45
March, 2019	529,420	1,020,427	111.20	103.55	111.90	103.80

(i) Performance in comparison to broad - based indices viz.BSE Sensex and NSE Nifty

Navneet Education Limited Share Price movement v/s BSE Sensex
April 2018 - March 2019



Navneet Education Limited Share Price movement v/s NSE Nifty
April 2018 -March 2019



(j) Volume of Shares traded during the year under review as a percentage of the number of Shares outstanding as on 31st March, 2019:

BSE : 1.90% 43,58,108 shares
NSE : 10.24% 2,34,45,390 shares

(k) Registrar & Share Transfer Agent:

Link Intime India Private Limited
C-101, 247 Park, L. B. S. Marg, Vikhroli (West),
Mumbai - 400083
Telephone.: (91-022) 49186270
Fax : (91-022) 49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

(l) Share Transfer in Physical Form

Effective 1st April, 2019, Securities and Exchange Board of India has amended Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities, shall mandatorily be required to be in demat form.

According to Securities and Exchange Board of India, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions and investors.

(m) Distribution of Shareholding as on 31st March, 2019:

No. of Equity Shares held	No. of Shareholders	%of Shareholders	No. of Shares	% of Shares
001-500	22,044	75.78	2,899,908	1.27
501-1000	2,819	9.69	2,218,848	0.97
1001-2000	1,464	5.03	2,139,659	0.93
2001-3000	574	1.97	1,463,887	0.64
3001-4000	669	2.30	2,446,877	1.07
4001-5000	222	0.76	1,050,245	0.46
5001-10000	666	2.29	4,540,565	1.98
10001 & above	630	2.17	212,110,511	92.68
Total	**29,088**	**100**	**228,870,500**	**100**

(n) Category of Shareholders as on 31st March, 2019:

Category	% to paid-up Share capital
Promoters	61.89
Financial Institutions & Foreign Portfolio Investors (corporate)	4.38
NRIs	0.50
Mutual Funds, Non Nationalised Banks	16.85
Bodies Corporate (including Government Companies)	1.91
Trust	0.00
Others	14.47
Total	**100**

(o) Dematerialisation of Shares and liquidity:

The shares of the Company are in compulsory dematerialisation segment and are available for trading system of both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The status of dematerialisation of shares as on 31st March, 2019 is as under:

Particulars	No. of Shares	%of Total Share Capital
Held in dematerialised form in NSDL	21,53,89,472	94.11
Held in dematerialised form in CDSL	1,08,21,663	4.73
Physical form	26,59,365	1.16
Total	**22,88,70,500**	**100**

The Company's shares are regularly traded on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. in electronic form.

(p) Outstanding GDRs / ADRs / Warrants:

The Company has not allotted any GDR(s) / ADR(s) / Warrants / Convertible instruments.

(q) Commodity price risk or foreign exchange risk and hedging activities:

The Company do not have commodity risk as such. The Company is exposed to market risk, credit risks and liquidity risk which are summarised in the Note No. 53 forming part of 'Notes on Standalone Ind-AS Financial Statements' for the year ended 31st March, 2019. During the year 2018-19, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports.

The management periodically reviews the Risk Management Policy for managing each of these risks.

(r) Plant Locations:

The Company's Plants are located at the following places:

- Village Dantali, Dist. & Tal. Gandhi Nagar, Gujarat.
- Village Sayali, Silvassa.
- Village Khaniwade, Tal. Vasai, Dist. Thane

(s) Address for Correspondence:

Registered Office : Navneet Bhavan, Bhavani Shankar Road,
Dadar (West), Mumbai 400 028
Tele : +91-22-66626565
Fax : +91-22-66626470
Email : investors@navneet.com
Corporate Identification Number(CIN) : L22200MH1984PLC034055

(t) Compliance Officer:

Company Secretary and Compliance Officer : Mr. Amit D. Buch
Email ID : amit.buch@navneet.com

(u) Details of credit ratings obtained during FY 2018-19:

Sr. No.	Name of credit rating agency	Rating	Facilities / Instruments	Amount (₹ in Lakhs)
1.	CRISIL Limited	A1+	Commercial Paper – Short term	20,000
2.	CARE Rating Limited	AA+ Stable/ A1+	Bank Facility – Long/ short term	30,000
		A1+	Bank Facility – Short term	200

(10) Other Disclosures

(a) Disclosure on materially significant related party transactions:

All transactions entered into with related party as defined under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The loan given to Company's wholly owned subsidiary companies may be treated as material in nature considering the amount of loan given vis-à-vis total amount of related party transactions entered by the Company. The loan so given was not in conflict with the interest of the Company. The material related party transaction policy of the Company is available on the website of the Company www.navneet.com.

Suitable disclosure as required by Indian Accounting Standard (Ind-AS 24) has been made in the notes forming part of the annual accounts.

(b) Disclosure of non - compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority on any matter related to capital markets during the last three years. The Company has complied with all requirements of the Listing Agreements/ Listing Regulations with the stock exchanges as well as regulations and guidelines of Securities and Exchange Board of India. No penalties or strictures imposed on the Company by the stock exchanges, Securities and Exchange Board of India or any other statutory authority on any matter related to capital markets during the last three years.

(c) Vigil Mechanism /Whistle Blower Policy:

As required under the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 4 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formed Vigil Mechanism/Whistle Blower policy to report genuine concerns or grievances. The same is hosted on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee, for making complaint on any Integrity issue.

(d) The Company is in compliance with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in addition the status of compliance with non-mandatory requirements is as under:

Sr. No.	Particulars	Remarks
1	Non-Executive Chairman's Office	The Company has Non-Executive Chairman and he maintains his own separate office. The Company do not bear expense of maintaining his office and do not reimburse any expense to him for performing his duty as Chairman, except paying him sitting fees.
2	Shareholders' Rights	As the quarterly and half yearly financial performance are published in the newspapers and also posted on the Company's website, the same are not being sent to the shareholders.
3	Audit Qualifications	The Company's financial statement for the year 2018-19 does not contain any audit qualification.
4	Separate post of Chairman and CEO	The Company has separate post of Chairman and MD/CEO.
5	Reporting of Internal Auditor	The Internal Auditor reports to Managing Director and has direct access to the Audit Committee.

(e) Policy for determining 'material' subsidiaries:

The Company does not have a material non-listed Indian subsidiary Company whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Indian holding Company in the immediately preceding accounting year. Though the Company do not have any 'material' subsidiary company, the policy for determining material subsidiaries has been formed and the same is put on website of the Company www.navneet.com.

(f) Policy on dealing with related party transactions:

The policy on dealing with related party transactions has been uploaded on the Company's website on www.navneet.com.

(g) Risk Management:

Risk assessment and its minimisation procedures have been laid down by the Company and the same have been informed to the Board Members. These procedures are periodically reviewed to ensure that the Executive Management controls risk through means of a properly defined framework.

(h) The Company did not raise any funds through preferential allotment or qualified institutions placement during the year.

(i) A certificate from a practicing company secretary has been received stating that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

(j) All the recommendations of the various committees made were accepted by the Board.

(k) During the financial year 2018-19, details of amount charged to Statement of Profit and Loss by the Company, its subsidiaries and its associate with respect to the Statutory Auditors of holding Company and all entities in the network firm/network entity of which Statutory Auditors is a part:

Particulars	₹ in Lakhs
Audit matters (Statutory and tax audit)	29.50
Taxation matters (Including GST Audit)	11.25
Others (including reimbursement)	2.56
Total	**43.31**

(Note: Above amount is exclusive of applicable taxes)

(l) **Disclosure in relation to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.**

Particulars	Number of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on the end of the financial year	Nil

(11) Disclosure to the extent to which the discretionary requirements have been adopted

The extent up to which the Company has adopted discretionary requirements as specified in Part E of Schedule II is as detailed under Other Disclosures at serial no. 10 (d) above.

(12) Details of non- compliance of any requirement of Corporate Governance Report

The Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in part 'C' of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the respective places in this Report.

(13) Code Of Conduct

The Board of Directors has adopted the Code of Conduct for the Directors and Senior Management Personnel. A copy of Code of Conduct has been put on the Company's Website www.navneet.com

Code of Conduct has been circulated to all the Members of the Board and Senior Management Personnel of the Company and compliance of the same is affirmed by them.

In accordance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a declaration signed by Managing Director & CEO affirming that all the Board Members and Senior Management of the Company have compliance with the Code of Conduct guideline as applicable to them for the Financial Year ended 31st March, 2019 is annexed as Annexure 'I' to this report.

(14) CEO and CFO Certification

The certificate required under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly signed by CEO and CFO of the Company was placed before the Board. The same is provided as Annexure 'II' to this report.

(15) Disclosure with respect to demat suspense account/ unclaimed suspense account

The Company does not have any shares in the demat suspense /unclaimed suspense account.

Annexure 'I'

Declaration

In accordance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct guideline as applicable to them for the Financial Year ended 31st March, 2019.

For Navneet Education Limited
sd/-
Gnanesh D. Gala
Chief Executive Officer

Place Mumbai
Date : 15th May, 2019

Annexure 'II'

CEO AND CFO CERTIFICATION

We hereby certify that -

a) we have reviewed financial statements and the cash flow statements for the year ended 31st March, 2019 and that to the best of our knowledge and belief

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.

b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) we accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of internal control system of Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken to rectify these deficiencies.

d) we further certify that -

   i) there have been no significant changes in the internal control over financial reporting during the year,

   ii) there have been no instances of significant fraud which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

	sd/-	sd/-
Place: Mumbai	Gnanesh D. Gala	Deepak L. Kaku
Date : 15th May, 2019	Chief Executive Officer	Chief Financial Officer

Navneet Education Limited

Standalone Financial Statements for the year ended 31st March, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NAVNEET EDUCATION LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of Navneet Education Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter.

Recoverability of investments and loans advanced to subsidiary company (refer note 8.3 and 9 to the standalone Ind AS financial statements).

Indiannica Learning Private Limited (Indiannica) is a wholly owned subsidiary of company & is also an exclusive licensee of Encyclopaedia Britannica curricular solutions. Indiannica has been incurring losses & hence judgement is required in regard to recoverability of loans & investments into the subsidiary as at 31st March, 2019. Accordingly we determined this to be a key audit matter.

Our procedures on the management's assessment of these matters included discussion on impairment test carried out by management including discussion relating to the basis of estimates, valuation technique, appropriateness & reasonableness of assumptions and various other parameters with the management. Considering the future business outlook, commitment of the holding company to fund the growth, positive operating margin, underlying strength in the Company's products and contents & primary reason for losses being increase in team and infrastructure for future growth, we did not identify any significant exceptions to the management's assessment that carrying value of the investment of ₹7,740 Lakhs and loan of ₹2,900 Lakhs to subsidiary is appropriate and no provision for impairment is necessary.

Information Other than the standalone Ind AS financial statements & Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors for the year ended 31st March 2019 is in accordance with the provisions of section 197 read with Schedule V of the Act; and

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 (a) & 9.1 to the standalone Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

sd/-
Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 15th May 2019

Annexure I to Independent Auditor's Report for the year ended 31st March, 2019

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

To
The Members of
Navneet Education Limited

(i) In respect of fixed assets:

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

(b) The Company has formulated a phased program of physical verification of fixed assets designed to cover all the items at-least once over a period of three years. In accordance with the said program, during the year, the Company had carried out physical verification of major portion of the fixed assets. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us and on the basis of our examination of the original title deeds / purchase agreements / lease deed, we report that, the title deeds of immoveable properties included in the fixed asset are held in the name of the Company (including erstwhile name) as at balance sheet date.

(ii) The inventories (other than lying with third parties) have been physically verified during the year by the management. In respect of inventories lying with the third parties, confirmations have been obtained by the Company and material in transit have been verified with reference to subsequent receipts. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in books of account.

(iii) According to the information and explanation given to us, the Company has granted unsecured loan to Companies covered in the register maintained under section 189 of the Act. There are no firms, Limited Liability Partnership or other parties covered under said register to whom loans have been granted.

(a) In our opinion and considering the information and explanations given to us, terms and conditions for loans are prima facie not prejudicial to the interest of the Company.

(b) The Company has specified schedule for repayment of loan and payment of interest on loan. The repayment of the loan and the payment of interest on loan are regular.

(c) According to the information and explanations given to us, there are no overdue amount of principal and interest for more than 90 days.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 and 186 of the Act in respect of grant of loans, making investments, and providing guarantees and security, as applicable.

(v) In our opinion and according to the explanations given to us, the Company has not accepted any deposits. Therefore, question of reporting compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act relating to windmill and pre-school division, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed statutory dues payable in respect to above statutes, outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no disputed Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Goods and Services tax as on 31st March, 2019 which have not been deposited except the following disputed dues which have not been deposited since the matters are pending with the relevant forum:

Name of statutes	Nature of dues	₹ in Lakhs (net of amount paid under protest)	Period to which it relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	26.08	F.Y. 1999-00	Bombay High Court
		3.51	F.Y. 2008-09	Assessing Officer
		12.75	F.Y. 2012-13	CIT (Appeals)
Central Sales Tax Act and VAT Act of various states	Sales Tax / CST / VAT	8.11	F.Y. 2004-05	Sales Tax Appellate Tribunal
		1,398.22	F.Y. 2007-08	Departmental Appellate Authorities
		1,403.04	F.Y. 2008-09	
		212.44	F.Y. 2009-10	
		271.38	F.Y. 2010-11	
		307.75	F.Y. 2011-12	
		349.49	F.Y. 2012-13	
		422.72	F.Y. 2013-14	
		2.25	F.Y. 2014-15	
		9.75	F.Y. 2013-14	Assessing Officer
		8.98	F.Y. 2014-15	
		23.46	F.Y. 2016-17	
		478.24	F.Y. 2014-15	Assessing Officer (the Company in process of filing appeal against demand order from Assessing Officer)
	Total	**4,938.17**		

(viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to banks during the year. There are no loans or borrowings from financial institutions / debenture holders / Government.

(ix) During the year the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable to the Company.

(x) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to information and explanation given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company by its officers or employees.

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) According to the information and explanation given to us and based on our examination of the records, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.

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

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

sd/-
Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 15th May, 2019

Annexure II to Independent Auditor's Report for the year ended 31st March, 2019

[Referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date]

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

Opinion

We have audited the internal financial controls over financial reporting of Navneet Education Limited ("the Company"), as of 31st March, 2019, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

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

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

sd/-
Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 15^{th} May 2019

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Standalone Balance Sheet

as at 31st March, 2019

(₹ in Lakhs)

	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
I.	**ASSETS**			
	Non-current assets			
	(a)Property, plant and equipment	3	15,074	15,022
	(b)Capital work-in-progress	4	1,350	256
	(c)Investment property	5	1,783	1,882
	(d)Intangible assets (other than Goodwill)	6	469	553
	(e)Intangible assets under development	7	22	12
	(f) Financial assets			
	(i) Investments in subsidiaries	8	19,580	18,198
	(ii) Loans	9	4,928	2,042
	(g)Deferred tax assets (net)	10	26	204
	(h)Assets for non-current tax (net)	11	172	240
	(i) Other non-current assets	12	3,060	760
	TOTAL NON-CURRENT ASSETS		**46,464**	**39,169**
	Current assets			
	(a) Inventories	13	52,774	41,234
	(b) Financial assets			
	(i) Trade receivables	14	21,986	25,139
	(ii) Cash and cash equivalents	15	1,470	379
	(iii) Other bank balances	16	335	179
	(iv) Loans	17	1,188	2,220
	(v) Other financial assets	18	877	97
	(c) Other current assets	19	4,480	5,102
	TOTAL CURRENT ASSETS		**83,110**	**74,350**
	TOTAL ASSETS		**1,29,574**	**1,13,519**
II.	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity share capital	20	4,577	4,671
	(b) Other equity	21	82,619	76,170
	TOTAL EQUITY		**87,196**	**80,841**
	LIABILITIES			
	Non-current liabilities			
	(a) Provisions	22	1,542	1,363
	(b) Other non current liabilities	23	-	1
	TOTAL NON-CURRENT LIABILITIES		**1,542**	**1,364**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	24	29,501	21,197
	(ii) Trade payables	25		
	- Amount due to micro and small enterprises		607	469
	- Amount due to others		4,605	4,595
	(iii)Other financial liabilities	26	3,712	2,610
	(b) Other current liabilities	27	833	716
	(c) Provisions	28	1,578	1,332
	(d) Liabilities for current tax (Net)	29	-	395
	TOTAL CURRENT LIABILITIES		**40,836**	**31,314**
	TOTAL EQUITY AND LIABILITIES		**1,29,574**	**1,13,519**

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

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Standalone Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I	Revenue from operations	30	1,36,054	1,13,224
II	Other income	31	1,938	2,921
III	**Total Revenue (I + II)**		**1,37,992**	**1,16,145**
IV	**Expenses**			
	Cost of materials consumed	32	72,805	59,298
	Purchase of stock-in-trade		89	525
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(5,459)	(3,562)
	Employee benefits expense	34	13,385	11,939
	Finance costs	35	1,186	597
	Depreciation and amortization expense	36	2,446	2,349
	Other expenses	37	26,469	21,554
IV	**Total Expenses**		**1,10,921**	**92,700**
V	**Profit before tax (III - IV)**		**27,071**	**23,445**
VI	Tax expense:			
	Current tax		9,534	8,287
	Deferred tax charge / (credit)		(184)	(174)
	(Excess) / Short Provision of earlier year		(26)	11
			9,324	**8,124**
VII	**Profit for the year (V - VI)**		**17,747**	**15,321**
VIII	Other comprehensive income:			
a)	Items that will not be reclassified to profit or loss in subsequent year			
	Re-measurement of the net defined benefit plan		(124)	(158)
	Less: Income tax on above		43	55
b)	Items that will be reclassified to profit or loss in subsequent year			
	Cash flow hedge through other comprehensive income		846	(579)
	Less: Income tax on above		(373)	212
VIII	**Total other comprehensive income / (loss) for the year, net of tax**		**392**	**(470)**
IX	**Total comprehensive income for the year (VII + VIII)** **(Total of profit and other comprehensive income for the year)**		**18,139**	**14,851**
	Earnings per equity share of ₹2/- each (Previous Year: ₹2/- each)	44		
	(1) Basic		7.67	6.56
	(2) Diluted		7.67	6.56

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

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Standalone Statement of Cash Flows

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash Flow from Operating Activities		
Net profit before tax	27,071	23,445
Adjustments for :		
Interest income	(682)	(307)
(Profit) / Loss on disposal of property, plant and equipment	7	(124)
(Profit) / Loss on sale of investments	(22)	(116)
(Profit) / Loss on Share of LLP	2	2
Finance cost	1,186	597
Income on fair value of financial guarantee contracts	(58)	(133)
Provision for doubtful advances	94	28
Allowance for bad and doubtful debts	76	109
Bad debts and other irrecoverable advance written off	20	70
Unrealised foreign exchange fluctuation loss/ (gain)	(1)	94
Depreciation and amortization expense	2,446	2,349
Operating Profit before working capital changes:	**30,139**	**26,014**
Changes in operating assets and liabilities:		
(Increase) / Decrease in inventories	(11,540)	(4,081)
(Increase) / Decrease in trade and other receivables	3,088	(4,804)
(Increase) / Decrease in other financial assets	96	348
(Increase) / Decrease in other non-current assets	(2,365)	24
(Increase) / Decrease in other current assets	(2,354)	(2,724)
Increase / (Decrease) in trade and other payables	147	487
Increase / (Decrease) in provisions	440	459
Increase / (Decrease) in financial liabilities	886	(627)
Increase / (Decrease) in current liabilities	117	(306)
Increase / (Decrease) in other non current liabilities	(1)	(102)
Cash Generated from Operations	**18,653**	**14,688**
Less: Income taxes paid (Refer note 55.2)	(9,611)	(8,797)
Net cash inflow from Operating Activities (A)	**9,042**	**5,891**
Cash flow from Investing Activities		
Purchase of property, plant and equipment and change in capital Work-in-progress and intangible assets under development	(2,274)	(2,936)
Proceeds from disposal of property, plant and equipment	62	183
Payments for acquisition of trademark, copyrights and software	(74)	(125)
Payments for capital contribution to LLP	(1,437)	(2,147)
Payment for acquisition of subsidiary	-	(23)
Payment for purchase of investment	(33,400)	(164,360)
Proceeds from sale of investment	33,422	164,476
Interest income	682	307
	(3,019)	**(4,625)**
Less: Income taxes paid on interest income (Refer note 55.2)	(235)	(106)
Net cash (outflow) from Investing Activities (B)	**(3,254)**	**(4,731)**

Standalone Statement of Cash Flows

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Cash flow from Financing Activities		
Payment against buyback of shares (face value and premium)	(7,500)	-
Buy back expense (Net of tax of ₹33 Lakhs)	(61)	-
Proceeds from borrowings	1,03,100	24,503
Repayment of borrowings	(1,10,003)	(24,600)
Proceeds from issue of commercial paper	72,000	27,000
Repayment of commercial paper	(52,000)	(27,000)
Finance Cost	(1,186)	(597)
Dividend Paid (including Dividend Distribution Tax of ₹720 Lakhs)	(4,223)	(7,028)
Net cash inflow from Financing Activities (C)	**127**	**(7,722)**
Net Increase in Cash and Cash Equivalents (A + B + C)	**5,915**	**(6,562)**
Cash and cash equivalent as at the commencement of the year	(7,414)	(852)
Cash and cash equivalent as at the end of the year	(1,530)	(7,414)
Unrealised loss / (gain) in respect of foreign currency cash and bank balances	31	-
Net Increase as mentioned above	**5,915**	**(6,562)**

Notes:

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' set out in IND AS 7, "Statement of Cash Flows".

2. Reconciliation of cash and cash equivalents as per Statement of Cash Flows :

(₹ in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Cash and cash equivalents (note 15)	1,470	379
Cash credit considered as cash and cash equivalents (note 24)	(3,000)	(7,793)
Balances as per statement of cash flow	**(1,530)**	**(7,414)**

3. For cash flow related notes refer note 55.

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

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Significant Accounting Policies

for the year ended 31st March, 2019

1. Company overview, nature of entity's operations and its principal activities

Navneet Education Limited ('the Company') is a public limited Company incorporated and domiciled in India and has its registered office at Navneet Bhavan, Near Shardasharam Society, Bhavani Shankar Road, Dadar, Mumbai - 400028, Maharashtra, India. The Company is listed on Bombay Stock Exchange and National Stock Exchange.

The Company is a leading manufacturer of Maharashtra and Gujarat State Board Publication books and also Stationery Products. The Publishing segment consists of supplementary books such as workbooks, guides, and question banks which are based on the latest prescribed syllabus by state education boards under the brand name of 'Vikas' and 'Gala'. The stationery business consists of paper based and non-paper based stationery under the brand names 'Navneet' and 'Youva'.

The financial statements of the Company for the year ended 31st March, 2019 were approved and adopted by board of directors of the Company in their meeting dated 15th May, 2019.

2. Significant Accounting Policies and Key Accounting Estimates and Judgments

2.1 Basis of preparation

a) Statement of Compliance

The financial statements (on standalone basis) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are prepared in INR which is the functional and presentation currency. All amounts are rounded to the nearest Lakhs, except when otherwise mentioned. Figures of ₹50,000 or less have been denoted by #.

c) Basis of measurement

The financial statements have been prepared under historical cost convention on accrual basis except for the following:

i) Certain financial assets and financial liabilities measured at fair value (refer accounting policy regarding financial instruments – Note no. 2.2(i))

ii) Defined benefit plans measured at fair value

2.2 Significant Accounting policies

a) Presentation and disclosure of financial statements

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a Company whose financial statements are made in compliance with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Based on the nature of business and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

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

b) Property, plant and equipment & Depreciation

i) All Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost of property, plant and equipment includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of any obligatory decommissioning cost for its intended use.

Significant Accounting Policies

for the year ended 31st March, 2019

ii) Capital work-in-progress comprises of cost incurred on property, plant and equipment not yet ready for their intended use at the Balance Sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

iii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

iv) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

v) When parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item (major components) of property, plant and equipment.

vi) Depreciation on property, plant and equipment

a) Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013, except the case where individual assets whose cost does not exceed ten thousand rupees has been provided fully in the year of capitalization.

b) In the case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.

c) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

c) Investment properties & Depreciation on investment properties

i) Property (Land or a Building or part of a building or both and related equipment's & furniture) that are held for long term rental yields or for capital appreciation or both, rather than for:

a) Use in the production or supply of goods or services or for administrative purposes; or

b) Sale in the ordinary course of business.

are recognized as investment property in books of account.

ii) Investment properties are measured initially at cost, including transaction costs. Cost of investment properties includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of any obligatory decommissioning cost for its intended use.

Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

iii) Depreciation on investment properties

a) Depreciation on investment properties is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013.

b) In the case of investment property purchased, sold or discarded during the year, depreciation on such investment property is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such investment property has been sold or discarded.

Significant Accounting Policies
for the year ended 31st March, 2019

c) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

d) Intangible assets & Amortisation

i) Intangible assets are recognized when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured. At initial recognition, intangible assets are recognized at cost. Intangible assets are stated at cost of development or consideration paid for acquisition less accumulated amortisation and accumulated impairment loss, if any.

ii) Amortisation of intangible assets is provided on straight line basis over the estimated useful life as tabulated below:

Block	Useful life
Trademark and copyright	10 years*
Software	3 years

* In case where right to use copyright is available for less than 10 years, intangible asset is amortised over the available usage period on straight line basis.

iii) The useful lives and methods of amortisation of intangible assets are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

e) Impairment of non-financial assets

Assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

f) Inventories

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

Costs incurred in bringing each product to it's present location and condition are accounted for as follows:

i) Raw materials, packing materials, consumables, 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.

The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) and other costs after deducting discounts and rebates which are incurred in bringing them to their present location and condition. Cost is determined on weighted average basis. Cost also includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

ii) Work-in-progress / Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average basis, conversion costs (i.e. costs directly related to the units of production), appropriate proportion of manufacturing overheads based on normal operating capacity and other costs incurred in bringing them to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business

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less estimated costs of completion and estimated costs necessary to make the sale.

iii) Stocks in trade (Traded goods) are valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average basis, and other costs incurred in bringing them to their present location and condition.

iv) Scraps are valued at estimated net realizable value.

v) Cost of inventories is arrived at after providing for cost of obsolescence wherever considered necessary.

g) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost.

h) Operating Segments

The segments have been identified taking into account the nature of the products / services, geographical locations, nature of risks and returns, internal organization structure and internal financial reporting system. Operating Segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The Managing Director is the CODM of the Company.

i) Financial instruments

Initial Recognition

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payables are recognized net of directly attributable transaction costs.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instrument'.

Subsequent Measurement

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non-derivative financial assets:

Financial assets at amortised cost and the effective interest method

Debt instruments shall be measured at amortised cost if both of the following conditions are met:

i. the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling assets;

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs.

They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument

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and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at Fair Value Through Profit & Loss (FVTPL) if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Equity instruments at FVTOCI

A financial asset is held for trading if:

i) it has been acquired principally for the purpose of selling it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or

iii) it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other comprehensive income is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial assets at FVTPL

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is

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measured in a way that reflects:

i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

ii) the time value of money; and

iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amounts allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. Cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either 'financial

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liabilities at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i) it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or

iii) It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii) the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or

iii) It forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income. The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to

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settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either:

i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);

ii) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

iii) Hedges of a net investment in a foreign operation (net investment hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

The full fair value of a hedging derivative is classified as a non-current financial asset or financial liability when the residual maturity of the derivative is more than 12 months and as a current financial asset or financial liability when the residual maturity of the derivative is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the statement of profit and loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the

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gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

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

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

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

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

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

j) Revenue recognition

On 1st April, 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers'. Adoption of this standard does not have any impact on any sale recognition prior to effective date of this standard. Accordingly, the policy for Revenue as presented in the Company's financial statements are as under:

- **Revenue from operations**

The Company recognizes revenue when the amount can be reliably measured, to the extent it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. Amounts disclosed as revenue are inclusive of excise duty (wherever applicable) and net of VAT, Service Tax (wherever applicable) and Goods and Service Tax (GST), discounts and other rebates etc.

o Sale of goods is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products are recorded at the fair value of the consideration received or receivable, net of returns and allowances, trade, volume & other discounts.

Accumulated experience is used to estimate and provide for turnover discounts, expected cash discounts, other eligible discounts, expected returns and incentives. No element of financing is deemed present as the sales

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are made with normal credit terms.

- o Sale of services are recognised upon rendering of services and fixed price contracts (including right to use contents) are recognised over the contract period on pro-rata basis.

- o Income from power generation is recognized on the basis of electrical units generated & transferred to transmission company (in excess of captive consumption) and is recognized at prescribed rate as per agreement for sale of electricity by the Company. Income from power generation is grouped under 'Other operating revenue'.

- **Other income**

  - o Interest income in respect of all the Debt Instruments, financial guarantee's and deposits which are measured at cost or at fair value through other comprehensive income, is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest Income is included in other Income in the statement of profit and loss.

  - o Lease income / rental income is recognised (net of service tax / GST) as per the terms of the relevant agreement.

  - o Dividend income on investment is accounted for in the year in which the right to receive the payment is established.

- **Contracts with customer and significant judgement in applying the standard**

  - o The Company's contracts with customers mainly include promises to transfer products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract, if any.

  - o Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

k) Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Incentives on exports related to operations as provided by government are recognized in books after due consideration of certainty of utilization / receipt of such incentive.

l) Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets, otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition.

m) Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary assets and liabilities are translated at closing exchange rate. The gains or losses resulting from such translations are included

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in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Effective 1st April, 2018 the company has adopted Appendix B to Ind AS 21 'Foreign Currency Transactions' and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

n) Employee benefits

i) Short term employee benefits

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Post-employment benefits

a) Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognised in the statement of profit and loss in the period in which the employee renders the related services.

b) Defined benefit plan

The Company has defined benefit plans comprising of gratuity. Company's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

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

The expected return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

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Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

c) Other long-term benefits

The Company has other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

o) Leases

As a Lessee:

Leases of property, plant and equipment where the company, as a lessee, has substantially all the risks and rewards relating to ownership are classified as finance leases at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each Lease Payment is allocated between the liability and finance cost. The finance cost is charged to the Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under the operating leases are charged to profit & loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with the expected inflationary increase.

As a Lessor:

Lease income from operating leases where the company is a lessor is recognized (net of service tax and GST) in income on a straight line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

p) Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

The current Income Tax expense charge is calculated on the basis of the tax laws enacted at the end of the reporting period. Management establishes proper provisions on the basis of amounts expected to be paid to the tax authorities.

Deferred Income Tax is provided in full, using the Balance Sheet Method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using the tax rates that have been enacted at the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive

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income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in Equity, respectively.

q) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

r) Cash flow statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

s) Provisions and contingent liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible instruments and it is included from the date consideration is receivable (generally the date of their issue) of such instruments

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.3 Use of significant accounting estimates, judgments and assumptions

The preparation of the financial statements requires management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and

Significant Accounting Policies

for the year ended 31st March, 2019

liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Estimated useful lives and scrap value (Property, plant & equipment, Investment properties and Intangible assets)

The Company has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment, investment properties and intangible assets based on its internal technical assessment. Property, plant & equipment, investment properties and intangible assets represent a significant proportion of the asset base of the Company. Further the Company has estimated that scrap value of property, plant & equipment would be able to cover the decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortisation and decommissioning costs are critical to the Company's financial position and performance.

b) Impairment of investment in subsidiaries

The Company conducts impairment reviews of investments in subsidiaries whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which base on future cash flows and a suitable discount rate in order to calculate the present value.

c) Impairment of financial assets (including trade receivable)

Allowance for doubtful receivables and advances (including advances to subsidiaries) represent the estimate of losses that could arise due to inability of the customer / counter party to make payments when due. These estimates are based on the ageing, category, specific credit circumstances and the historical experience of the Company as forward looking estimates at the end of each reporting period.

d) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognized where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgment and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgment is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

2.4 New standard issued / modified effective from 1st April 2019 but not effective as at reporting date

a) Ind AS 116 'Leases'

MCA has issued Ind AS 116 'Leases' which is effective from 1st April 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 'Leases'. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right to use asset and a corresponding liability for all leases with a term of more than 12 months, unless the underlying asset is of low value. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The management of the Company does not expect any significant impact of the amendment on its financial statements.

Significant Accounting Policies

for the year ended 31st March, 2019

b) Ind AS 12 'Income taxes' [Uncertainty over Income Tax Treatments]

MCA has issued amendment Ind AS 12 related to uncertainty over Income Tax Treatments which clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

(1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty;

(2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount;

entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not have any uncertainty related to income tax matters.

c) Ind AS 12 'Income taxes'

Further, an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any significant impact from this amendment.

d) Ind AS 109 'Financial Instrument' [Prepayment Features with Negative Compensation]

Amendments made to Ind AS 109, which amend the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not have any significant impact of this amendment on its financial statements.

e) Ind AS 28 'Long-term Interests in Associates and Joint Ventures'

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

f) Ind AS 19 'Employee Benefits'

Amendments to Ind AS 19 to clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect any significant impact for this amendment on its financial statements.

g) Ind AS 103 'Business Combinations' and Ind AS 111 'Joint Arrangements'

The amendments to Ind AS 103 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

h) Ind AS 23 'Borrowing Costs'

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this pronouncement.

Standalone Statement of Changes in Equity

for the year ended 31st March, 2019

A. Equity Share Capital

(₹ in Lakhs)

Balance as at 1st April, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018	Changes in equity share capital during the year 2018-19	Balance as at 31st March, 2019
4,671	-	4,671	(94)	4,577

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and surplus				Other comprehensive income		Total other equity
	Capital Redemption Reserve	Capital Reserve	General Reserve	Retained earnings	Re-measurement of the net defined benefit plan	Cash flow hedge through other comprehensive income	
Balance as at 31st March, 2017	**127**	**76**	**9,716**	**58,433**	**(304)**	**(158)**	**67,890**
Amount utilized for Dividend and Dividend Distribution Tax	-	-	-	(7,028)	-	-	(7,028)
Addition during the year (net of taxes)	-	-	-	-	(103)	(68)	(171)
Deduction / reversal during the year	-	-	-	-	-	158	158
Net profit for the year	-	-	-	15,321	-	-	15,321
Balance as at 31st March, 2018	**127**	**76**	**9,716**	**66,726**	**(407)**	**(68)**	**76,170**
Amount utilized for buy back of shares	-	-	(7,406)	-	-	-	(7,406)
Amount transferred to capital redemption reserve upon buyback (Refer note 20.1)	94	-	(94)	-	-	-	-
Amount utilized for Dividend and Dividend Distribution Tax	-	-	-	(4,223)	-	-	(4,223)
Addition during the year (net of taxes)	-	-	-	-	(81)	473	392
Buy-back expenses (net of tax)	-	-	(61)	-	-	-	(61)
Net profit for the year	-	-	-	17,747	-	-	17,747
Balance as at 31st March, 2019	**221**	**76**	**2,155**	**80,250**	**(488)**	**405**	**82,619**

Note: Refer note 21 for nature and purpose of other equity.

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

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

3 Property, plant and equipment (PPE)

(₹ in Lakhs)

Description of Assets	Land (Refer note 3.1 below)	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross block as at 31st March, 2017	**1,811**	**11,196**	**17,917**	**393**	**1,528**	**1,928**	**34,773**
Additions during the year 2017-18	-	107	2,402	37	12	387	2,945
Deduction for the year 2017-18	-	-	80	3	-	223	306
Gross block as at 31st March, 2018	**1,811**	**11,303**	**20,239**	**427**	**1,540**	**2,092**	**37,412**
Additions during the year 2018-19	-	294	1,254	48	256	458	2,310
Deduction for the year 2018-19	-	-	600	30	48	135	813
Gross block as at 31st March, 2019	**1,811**	**11,597**	**20,893**	**445**	**1,748**	**2,415**	**38,909**
Accumulated depreciation upto 31st March, 2017	**84**	**5,088**	**12,363**	**332**	**1,238**	**1,481**	**20,586**
Depreciation for the year 2017-18	-	618	1,160	36	76	192	2,082
Deduction for the year 2017-18	-	-	65	3	-	211	279
Accumulated depreciation upto 31st March, 2018	**84**	**5,706**	**13,458**	**365**	**1,314**	**1,461**	**22,389**
Depreciation for the year 2018-19	-	529	1,289	36	96	239	2,189
Deduction for the year 2018-19	-	-	555	28	34	126	743
Accumulated depreciation upto 31st March, 2019	**84**	**6,235**	**14,192**	**373**	**1,376**	**1,575**	**23,835**
Net Block as at 31st March, 2019	**1,727**	**5,362**	**6,701**	**72**	**372**	**840**	**15,074**
Net Block as at 31st March, 2018	1,727	5,597	6,781	61	226	631	15,022

3.1 Land includes a leasehold land whose gross block of ₹86 Lakhs (Previous year: ₹86 Lakhs) and accumulated depreciation of ₹84 Lakhs (Previous year: ₹84 Lakhs).

3.2 Refer note 39(a) for disclosure of contractual capital commitments for acquisition of property, plant and equipment.

4 Capital work-in-progress

(₹ in Lakhs)

Description of Assets	Land	Plant and Equipment	Furniture	Total
As at 31st March, 2017	**43**	**233**	**-**	**276**
Additions during the year 2017-18	#	35	155	190
Capitalised in PPE in year 2017-18	-	210	-	210
As at 31st March, 2018	**43**	**58**	**155**	**256**
Additions during the year 2018-19	9	1,286	-	1,295
Capitalised in PPE in year 2018-19	-	46	155	201
As at 31st March, 2019	**52**	**1,298**	**-**	**1,350**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

5 Investment Property

(₹ in Lakhs)

Description of Assets	Building (Refer note 5.2 below)	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
Gross block as at 31st March, 2017	**2,919**	**105**	**7**	**171**	**3,202**
Additions during the year 2017-18	-	-	-	-	-
Deduction for the year 2017-18	57	1	-	-	58
Gross block as at 31st March, 2018	**2,862**	**104**	**7**	**171**	**3,144**
Additions during the year 2018-19	-	-	-	-	-
Deduction for the year 2018-19	-	-	-	-	-
Gross block as at 31st March, 2019	**2,862**	**104**	**7**	**171**	**3,144**
Accumulated depreciation upto 31st March, 2017	**939**	**93**	**7**	**141**	**1,180**
Depreciation for the year 2017-18	97	3	-	9	109
Deduction for the year 2017-18	26	1	-	-	27
Accumulated depreciation upto 31st March, 2018	**1,010**	**95**	**7**	**150**	**1,262**
Depreciation for the year 2018-19	91	2	-	6	99
Deduction for the year 2018-19	-	-	-	-	-
Accumulated depreciation upto 31st March, 2019	**1,101**	**97**	**7**	**156**	**1,361**
Net Block as at 31st March, 2019	**1,761**	**7**	**#**	**15**	**1,783**
Net Block as at 31st March, 2018	1,852	9	#	21	1,882

5.1 Amount recognized in Statement of Profit and Loss for investment properties:

(₹ in Lakhs)

Particulars	31/03/2019	31/03/2018
Rental income (grouped under note 31 in other income)	504	451
Direct operating expenses that generated rental income	(39)	(42)
Direct operating expenses that did not generate rental income	-	-
Profit from investment properties before depreciation	**465**	**409**
Depreciation	(99)	(109)
Profit from investment properties	**366**	**301**

Also refer note 41 (a) for disclosure related to 'Leases' of investment properties.

5.2 Building with a carrying amount of ₹1,270 Lakhs (Previous year: ₹1,334 Lakhs) are subject to first charge to secure bank loan (refer note 24.1). The same property is provided on cancellable operating lease to subsidiaries as at 31st March 2019.

5.3 As at year end, the fair values of investment properties are ₹11,683 Lakhs (Previous year: ₹11,145 Lakhs). The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

5.4 The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements and there are no restriction on remittance of income and proceed on disposal (except restriction over disposal of investment property as disclosed in note 5.2 above).

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

6 Intangible assets (Other than Goodwill)

(not internally generated)

(₹ in Lakhs)

Description of Assets	Trade Mark	Copy Right	SAP	Software	Total
Gross block as at 31st March, 2017	**59**	**1,046**	**247**	**893**	**2,245**
Additions during the year 2017-18	1	99	-	25	125
Deduction for the year 2017-18	-	-	-	-	-
Gross block as at 31st March, 2018	**60**	**1,145**	**247**	**918**	**2,370**
Additions during the year 2018-19	#	-	-	74	74
Deduction for the year 2018-19	-	-	-	#	#
Gross block as at 31st March, 2019	**60**	**1,145**	**247**	**992**	**2,444**
Accumulated amortisation upto 31st March, 2017	**58**	**519**	**247**	**834**	**1,658**
Amortisation expense for the year 2017-18	#	117	-	42	159
Deduction for the year 2017-18	-	-	-	-	-
Accumulated amortisation upto 31st March, 2018	**58**	**636**	**247**	**876**	**1,817**
Amortisation expense for the year 2018-19	#	119	-	39	158
Deduction for the year 2018-19	-	-	-	0	0
Accumulated amortisation upto 31st March, 2019	**58**	**755**	**247**	**915**	**1,975**
Net Block as at 31st March, 2019	**2**	**390**	**-**	**77**	**469**
Net Block as at 31st March, 2018	2	509	-	42	553

6.1 Remaining useful life of intangible assets

Description	Carrying amount as at ₹ in Lakhs		Remaining useful life as at [Months]	
	31-Mar-19	**31-Mar-18**	**31-Mar-19**	**31-Mar-18**
Trade Mark	2	2	4 to 110	2 to 113
Copy Right	390	509	35 to 98	47 to 110
Software	77	42	9 to 33	1 to 36
Total	**469**	**553**		

7 Intangible assets under development (not internally generated)

(₹ in Lakhs)

Description of Assets	Software
As at 31st March, 2017	-
Additions during the year 2017-18	12
Capitalised in intangible assets in year 2017-18	-
As at 31s't March, 2018	**12**
Additions during the year 2018-19	10
Capitalised in intangible assets in year 2018-19	-
As at 31st March, 2019	**22**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

8 Non Current Financial Assets - Investments

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A.	**Valued at Cost**		
	Unquoted investments		
	Investment in equity instruments		
	Subsidiary Companies		
	a) Esense Learning Private Limited	2,456	2,456
	23,633,500 (23,633,500) Equity Shares of ₹10/- each fully paid up		
	b) Indiannica Learning Private Limited [Formerly known as 'Encyclopaedia Britannica India Private Limited']	7,623	7,623
	49,351,063 (49,351,063) Equity Shares of ₹ 10/- each fully paid up		
	c) Navneet (HK) Limited	23	23
	273,070 (273,070) Equity Shares of HK$ 1 each fully paid up		
	Investment in limited liability partnership		
	Subsidiary		
	a) Navneet Learning LLP (Refer note 8.5 below)	9,157	7,722
	Sub-total (a)	**19,259**	**17,824**
B.	**Valued at fair value**		
	Unquoted investments		
	Financial guarantee contracts		
	Subsidiary Companies (Refer note 8.2 below)		
	a) Esense Learning Private Limited	204	232
	b) Indiannica Learning Private Limited [Formerly known as 'Encyclopaedia Britannica India Private Limited']	117	142
	Sub-total (b)	**321**	**374**
	Total (a+b)	**19,580**	**18,198**

8.1	Aggregate amount of unquoted investments (₹ in Lakhs)	₹19,580	₹18,198

8.2 Financial guarantees are issued in favour of the banks against loan taken by subsidiaries. The amount of guarantee is ₹4,650 Lakhs (Previous Year ₹4,650 Lakhs) (Refer footnote (ii) of note 57).

8.3 Investments made in wholly owned subsidiary Companies are long-term and strategic in nature. In the opinion of management, no impairment provision in the investment value is required as at 31st March, 2019 based on the estimate of future profitability and business prospects.

8.4 Refer Note 56 for information on principal place of business and the Company's ownership interest in the above Subsidiaries.

8.5 Company hold 93% of voting rights with respect to the said subsidiary entity in accordance with LLP agreement.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

9 Non Current Financial Assets - Loans

(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Considered good		
Security Deposits	201	181
Corporate Deposit	(2)	22
Loans and Advances		
i) Loans to Subsidiary (Refer note 57 and 8.3)	2,900	-
ii) Loans to Employees	201	197
iii) Loans to Vendors	23	15
iv) Other Loans & Advances (Refer note 9.1 below)	1,605	1,629
	4,928	**2,042**
Considered doubtful		
Corporate Deposits	107	86
Other Loans & Advances	22	16
Security Deposit	15	-
	144	**102**
Less: Allowances for doubtful advances	(144)	(102)
Total	**4,928**	**2,042**

9.1 The above amount includes ₹1,459 Lakhs (Previous year: ₹1,459 Lakhs) from one party against which Company has filed a legal case with Honourable High Court of Mumbai. As per the interim order, Company possesses the property deed of an immoveable property for recovery of the due, which is adequate to cover loan amount. Company expects the matter to be favourably settled in its favour.

10 Deferred Tax Assets (net)

(₹ in Lakhs)

Corresponding effect in Statement of Profit & Loss		
Property, plant and equipment	(455)	(511)
Provision for employee benefits	545	503
Provision for sales returns	153	143
Provision for doubtful receivables	65	38
Financial guarantee contracts (subsidiaries)	(96)	(81)
Provision for doubtful advances	84	38
Forward contracts (fair value hedge)	33	14
Others	16	18
	345	**162**
Corresponding effect in Other Comprehensive Income		
Forward contracts (cash flow hedge)	(319)	42
	(319)	**42**
Total	**26**	**204**
Opening balance	204	(237)
Tax (expense) recognised in profit or loss	184	174
Tax (expense) recognised in other comprehensive income	(329)	267
Tax (expense) recognised in general reserve	(33)	-
Closing balance	**26**	**204**

10.1 Deferred tax liabilities are the amounts of income taxes payablein future periods in respect of taxable temporary differences. Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of: (a) deductible temporary differences; (b) the carry forward of unused tax losses; and (c) the carry forward of unused tax credits (Refer note 50 for reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes).

11 Assets for Non current Tax (net)

(₹ in Lakhs)

Advance Income Taxes (Net of provisions)	172	240
Total	**172**	**240**

12 Other Non Current Assets

(Unsecured, unless otherwise stated) (₹ in Lakhs)

Considered good		
Capital Advance	372	436
Refund receivable from government authority (Refer note 12.1)	2,679	313
Advance to Suppliers	2	4
Prepaid Expenses	7	7
	3,060	**760**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Considered doubtful		
Capital Advance	59	7
Less: Allowances for doubtful advances	(59)	(7)
Total	**3,060**	**760**

12.1 Refund receivable from government authority includes GST refunds, sales tax refunds and other refunds receivables from government authorities.

13 Inventories

(valued at lower of cost or estimated net realisable value)

(₹ in Lakhs)

Raw Materials	19,880	13,398
Raw Materials in transit	1,700	2,237
Work In Progress	2,164	1,760
Finished Goods	28,175	23,121
Stock in Trade (in respect of goods acquired for trading)	1	#
Stores, Spares & Consumables	854	718
Total	**52,774**	**41,234**

13.1 During the year, ₹801 Lakhs (Previous year: ₹501 Lakhs) was recognised as an expense for inventories.

13.2 Inventories are subject to first charge to secure bank loan (Refer note 24.1).

14 Current Financial Assets - Trade receivables

(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Considered good (Refer note 14.4 below)	21,986	25,139
Doubtful	185	109
	22,171	**25,248**
Less: Allowance for bad and doubtful debts and credit losses	(185)	(109)
(Refer note 54)		
Total	**21,986**	**25,139**

14.1 Trade receivables are subject to first charge to secure bank loan (Refer note 24.1).

14.2 Trade receivables are generally due between 30 to 90 days. The Company's term includes charging of interest for delayed payment beyond agreed credit days. However, the Company charges interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

14.3 Credit risk is managed at the operational segment level (i.e. publication and stationery). The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

14.4 As per Memorandum of Understanding with one of the party, a sum of ₹50 Lakhs (Previous year: ₹Nil) is secured by mortgage of immovable property.

14.5 For details of trade receivable from related parties refer note 57.

15 Current Financial Assets - Cash and cash equivalents

(₹ in Lakhs)

Cash on hand	41	40
Balance with Scheduled Banks		
- In Current Account	253	339
- In EEFC Accounts	1,175	-
Total	**1,470**	**379**

16 Current Financial Assets - Other bank balances

(₹ in Lakhs)

Earmarked balances with banks		
- In unpaid and unclaimed dividend account (Refer note 26 and 16.2)	296	176
Bank deposit (Refer note 16.3)	38	-
Other Bank Balances (Refer note 16.1 below)	1	3
Total	**335**	**179**

16.1 Other bank balances represent restricted deposits (along-with accrued interest thereon) under lien placed with sales tax authorities.

16.2 There is no amount due to Investor Education & Protection Fund as on 31st March, 2019.

16.3 Bank deposit includes interest accrued but not due amounting to ₹3 Lakhs (Previous year: ₹Nil) and this deposit is under lien for tender deposit given to a customer.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

17 Current Financial Assets - Loans

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

Corporate Deposits	159	190
Loans and advances (Refer note 17.1)		
i) Loans to Subsidiary (Refer note 57 and 8.3)	450	1,500
ii) Loans to Employees	194	158
iii) Loans to Vendors	11	9
iv) Other Loans & Advances	374	363
Total	**1,188**	**2,220**

17.1 The loans and advances given to various parties are for commercial purpose and same is repayable on demand.

18 Current Financial Assets - Other financial assets

(₹ in Lakhs)

Receivables for sale of property, plant and equipment	12	16
Bank deposit (Refer note 18.1)	-	36
Advances to Employees for expenses	46	45
Financial assets at fair value (forward and option contracts) (Refer note 26)	819	-
	877	**97**

18.1 Bank deposit includes interest accrued but not due amounting to ₹ Nil (Previous year: ₹ 1 Lakh) and this deposit is under lien for tender deposit given to a customer.

19 Other current assets

(Unsecured, considered good, unless otherwise stated)

(₹ in Lakhs)

GST input credit (net)	2,383	2,976
Prepaid Expenses	479	204
Advance to Suppliers	1,018	1,585
Export incentive receivable	526	337
Extra Duty Deposit receivable (Refer note 19.1)	#	-
Prepaid gratuity (Refer note 48 (b) (i) and 22.1)	74	-
Total	**4,480**	**5,102**

19.1 Extra duty deposit represents additional duty levied by custom department in respect of items where the final valuation is in the process of being determined by the special valuation bench of the custom department. The company is confident that the additional duty so levied would be refunded by the government upon final determination and there would not be any additional outflow on account of the same. (Also refer note 38(d)).

20 Equity Share Capital

Authorized:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹2/-each (₹2/- each)	24,82,97,500	4,966	24,82,97,500	4,966
6% Redeemable Non cumulative Preference Shares (RNCPS) of ₹10/- each	3,40,500	34	3,40,500	34
Total		**5,000**		**5,000**

Issued, Subscribed & Paid Up:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹2/- each (₹2/- each) fully paid up	22,88,70,500	4,577	23,35,58,000	4,671
Total		**4,577**		**4,671**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

20.1 Reconciliation of the number of Equity Shares outstanding

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Number of Shares at the beginning of the year	23,35,58,000	4,671	23,35,58,000	4,671
Add: Shares issued	-	-	-	-
Less: Shares bought back	46,87,500	94	-	-
Number of Shares at the end of the year	22,88,70,500	4,577	23,35,58,000	4,671

The Company had concluded buyback of 46,87,500 equity shares aggregating to 2.01% of the paid-up equity share capital of the company at a price of ₹160 per share on 16th October, 2018. The Company concluded the buyback procedures on 23rd October, 2018 and 46,87,500 equity shares were extinguished. The Company has utilised its general reserve for the buyback of its shares. Further, capital redemption reserve of ₹93.75 Lakhs representing the nominal value of shares bought back has been created as an appropriation from general reserves in accordance with section 69 of the Companies Act, 2013. Consequently, the paid up Equity Share Capital is reduced to ₹4,577 Lakhs. Transaction costs related to buyback are adjusted against general reserves (net of tax).

20.2 Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par face value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share and all rank pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the equity shares held by the shareholders.

20.3 Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

(Number of Shares)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Equity Shares of ₹ 2/- each fully paid up	46,87,500	-	46,57,000	-	-
Total	**46,87,500**	**-**	**46,57,000**	**-**	**-**

20.4 Equity Shareholders holding more than 5% of the shares

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% held	No. of Shares	% held
Bipin Amarchand Gala and Gnanesh Dungarshi Gala - Trustee of Navneet Trust	9,09,19,090	39.73	9,25,65,009	39.63
HDFC Trustee Company Ltd - under its various schemes	1,93,72,917	8.46	1,98,03,805	8.48

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
21	**Other Equity**		
A.	Reserve and Surplus		
(i)	Capital Redemption Reserve	221	127
(ii)	Capital Reserve	76	76
(iii)	General Reserve	2,155	9,716
(iv)	Retained earnings	80,250	66,726
		82,702	**76,645**
B.	**Other comprehensive income**		
(v)	Re-measurement of the net defined benefit plan	(488)	(407)
(vi)	Cash flow hedge through other comprehensive income	405	(68)
		(83)	**(475)**
	Total	**82,619**	**76,170**

(i) Capital Redemption Reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	127	127
Amount transferred to capital redemption reserve upon buyback (Refer note 20.1)	94	-
Balance at the end of the year	**221**	**127**

Note: The Company has recognised capital redemption reserve on buyback of equity shares from its general reserve. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back. This reserve will be utilised in accordance with section 69 of the Companies Act, 2013.

(ii) Capital Reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	76	76
Changes during the year	-	-
Balance at the end of the year	**76**	**76**

Note: The Company has created capital reserve pursuant to past mergers and acquisitions.

(iii) General Reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	9,716	9,716
Amount utilized for buy back of shares	(7,406)	-
Amount transferred to capital redemption reserve upon buyback (Refer note 20.1)	(94)	-
Buy-back expenses (net of tax)	(61)	-
Balance at the end of the year	**2,155**	**9,716**

Note: The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes.

(iv) Retained earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	66,726	58,433
Amount utilized for Dividend and Dividend Distribution Tax	(4,223)	(7,028)
Net profit for the year	17,747	15,321
Balance at the end of the year	**80,250**	**66,726**

Note: The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Company

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

and in compliance with the requirements of the Companies Act, 2013.

(v) Re-measurement of the net defined benefit plan

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	(407)	(304)
Addition during the year (net of taxes)	(81)	(103)
Balance at the end of the year	**(488)**	**(407)**

Note: Gain/(Loss) arising out of change in actuarial assumption at the time of actuarial valuation is transferred to this reserve through Other comprehensive income.

(vi) Cash flow hedge through other comprehensive income

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	(68)	(158)
Addition during the year (net of taxes)	473	(68)
Deduction / reversal during the year	-	158
Balance at the end of the year	**405**	**(68)**

Note: The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

22 Non current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefit		
Compensated absences (Refer Note No.48 (b) (ii))	1,542	1,363
Total	**1,542**	**1,363**

22.1 The movement represents the provision created for the year arising out of the actuarial valuation after considering the actual settlements made during the year.

23 Other Non current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred revenue (Refer note 30.4)	-	1
Total	**-**	**1**

24 Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Secured		
i) Cash Credit from Bank (Refer note 24.1 below)	3,000	7,793
ii) Working Capital Rupee Loan from banks (Refer note 24.1 and 24.2 below)	-	5,004
	3,000	12,797
b) Unsecured		
i) Working Capital Rupee Loan from Banks (Refer note 24.3 below)	6,501	8,400
ii) Commercial Papers (Refer note 24.4 below)	20,000	-
	26,501	**8,400**
Total	**29,501**	**21,197**

24.1 Secured current borrowings are secured against hypothecation & first charge over stock of raw materials, work-in-progress, finished goods, stores & spares not relating to plant and machinery & book debts and also mortgage & first charge over office premises 1A, 1B, 2A & 2B at Benefice Business House located at Lower Parel, Mumbai.

24.2 Secured working capital loan includes interest accrued but not due amounting to ₹Nil (Previous year: ₹4 Lakhs).

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

24.3 Unsecured working capital demand loan includes interest accrued but not due amounting to ₹1 Lakh (Previous year: ₹Nil). Interest rate for unsecured rupee loan is ranging from 8.10% to 8.25%. Subsequent to year end, this loan has been repaid upto 8th April, 2019.

24.4 Commercial papers (unsecured) amounting to ₹20,000 Lakhs were issued during the financial year 2018-19 and carry interest @ 7.90%. The repayment of the same is due ranging from 23rd May, 2019 to 27th May, 2019.

25 Current Financial Liabilities - Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
- Due to Micro, Small and Medium Enterprises (Refer note 25.1)	607	469
- Due to Others	4,605	4,595
Total	**5,212**	**5,064**

25.1 Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as on 31st March, 2019 based on available information with the Company which are as under:

(₹ in Lakhs)

	Particulars	2018-19	2017-18
(a)	the principal amount remaining unpaid to any supplier at the end of financial year;	607	469
(b)	the interest due on above, remaining unpaid to any supplier at the end of financial year;	-	-
(c)	the amount of interest paid by the buyer in terms of section 16 of the MSMED Act (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during financial year;	-	-
(d)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
(e)	the amount of interest accrued and remaining unpaid at the end of financial year; and	-	-
(f)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Note: The information required to be disclosed in pursuance with the MSMED Act has been determined to the extent of identification of such vendors based on information given by the vendors to the Company.

25.2 Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 0 to 30 days.

25.3 The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

26 Other current financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Creditors for capital goods (Refer note 25.1)	1,148	71
Employee benefits payable	1,257	1,057
Unpaid and unclaimed dividend (Refer note 16 and 26.1)	296	176
Provision for expenses	366	283
Creditors for expenses	304	471
Financial guarantee contracts	47	142
Financial liabilities at fair value (forward and option contracts) (Refer note 18)	-	162
Security deposits	294	248
Total	**3,712**	**2,610**

26.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2019.

27 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances received from customers	462	268
Deferred revenue (Refer note 30.4)	1	125
Statutory Dues		
- Provident Fund / ESIC / Profession Tax	122	101
- Tax Deducted At Source	210	172
- Sales tax / VAT / GST payable	38	50
Total	**833**	**716**

28 Current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits (Refer Note no.22.1)		
- Compensated absences (Refer Note No.48 (b) (ii))	180	166
- Gratuity (Refer Note No.48 (b) (i))	-	2
Other Provision		
- Sales return (Refer Note No.47 (a))	986	909
- Discounts (Refer note 47 (b))	412	255
- Lease escalation	#	#
Total	**1,578**	**1,332**

29 Liabilities for Current Tax (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provisions for tax (net of advance tax)	-	395
Total	**-**	**395**

30 Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of products		
- Finished Goods (Refer note 30.1)	1,32,254	1,09,711
- Traded Goods	103	552
Sale of services	283	651
Other operating revenues		
- Sale of scrap and waste	1,608	1,155
- Power generation income	111	97
- Others	1,695	1,058
Total	**1,36,054**	**1,13,224**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

30.1 Provision for Sales Returns:

The above amount is net of provision made for sales return amounting to ₹986 Lakhs (Previous year ₹909 Lakhs). Also refer Note 47 (a) and Note 28.

30.2 Disclosures of Ind AS 115:

(a) Effective from 1st April, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 Revenue from contracts with customers replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Adoption of new standard does not have any impact on revenue recognition for current year as well as earlier years. Refer note 2 (j) of Significant accounting policies for Revenue recognition.

(i) The Company's operations relates to publication of knowledge based information in educational and general books form and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market.

The company applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue. Refer note 2 (j) of significant accounting policies."

(ii) For details of revenue recognised from contracts with customers, refer note 30 above.

(iii) There are no contract assets arising from the Company's contract with customers.

(b) Disaggregation of revenue

(i) For disaggregation of revenue, refer break-up given in note 30 above and note 58(B).

(ii) Refer note 58(A) (iv) for details regarding customer concentration that represents 10% or more of the Company's total revenue during the year ended 31st March, 2019 and 31st March, 2018.

(c) Performance obligation

(i) For timing of satisfaction of its performance obligations, refer note 2(j) of significant accounting policies of the Company.

(ii) Unsatisfied (or partially satisfied) performance obligations are due to unexpired contract period in cases of contract where exclusive license is granted to translate, print, publish and sale the translated book in defined territory. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹1 Lakhs, out of which 100% is expected to be recognised as revenue in the next year.

30.3 Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Contracted price	1,38,851	1,15,785
Less: Reductions towards variable consideration components	2,797	2,561
Revenue recognised	**1,36,054**	**1,13,224**

The reduction towards variable consideration comprises of volume discounts, sales promotion, provision for sales return etc.

30.4 Changes in deferred revenue are as follows (Refer note 23 and 27):

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Balance at the beginning of the year	126	317
Revenue recognised that was included in the deferred revenue at the beginning of the year	125	191
Balance at the end of the year	**1**	**126**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

30.5 The Company receives government assistance in the form of MEIS license and duty drawback, which are issued to eligible exporter. Above revenue includes MEIS and duty drawback income of ₹1,614 Lakhs (Previous year: ₹1,042 Lakhs). Out of the revenue recognised ₹395 Lakhs will be received from government upon receipt of balance amount from customer and fulfilment of other procedural formalities.

30.6 Revenue from operations for the periods upto 30th June, 2017 includes excise duty, which is discontinued effective 1st July, 2017 upon implementation of Goods and Services Tax (GST) in India. GST is not included in revenue from operations w.e.f. 1st July, 2017. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended 31st March, 2019 are not comparable with previous periods.

For the purpose of comparability, revenue from operations including excise duty and excluding excise duty are given below:

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Revenue from operations (including excise duty)	1,36,054	1,13,224
Less: Excise duty	-	118
Revenue from operations (excluding excise duty)	**1,36,054**	**1,13,106**

31 Other Income

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Income on financial assets measured at FVTPL	43	121
Income from current investments carried at fair value through profit and loss		
Profit on sale of mutual funds	22	116
Dividend income from mutual funds	-	42
Gain on fair valuation of financial assets (net)	15	11
Other non-operating income (Rent income etc.)	560	649
Gain on foreign exchange transactions (net)	616	1,673
Total	**1,938**	**2,921**

31.1 Gain on foreign exchange transaction includes ₹753 Lakhs (Previous Year ₹512 Lakhs) of exchange gain (net) arising on financial instruments.

32 Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Raw Materials consumed	72,805	59,298
Total	**72,805**	**59,298**

33 Changes in inventories of finished goods, stock-in -trade and work-in- progress

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Closing Stock		
Work In Progress	2,164	1,760
Finished Goods	28,175	23,121
Stock in Trade	1	#
	30,340	**24,881**
Opening Stock		
Work In Progress	1,760	1,639
Finished Goods	23,121	19,679
Stock in Trade	#	#
	24,881	**21,318**
Total	**(5,459)**	**(3,562)**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

34 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Salaries, Wages & Bonus	11,924	10,583
Contribution to PF, ESIC and LWF (Refer note 48 (a))	602	542
Contribution to Other Funds	302	287
Staff Welfare Expenses	557	527
Total	**13,385**	**11,939**

35 Finance costs

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Interest expenses	1,186	597
Total	**1,186**	**597**

36 Depreciation and amortization expense

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Depreciation of property, plant and equipment (refer note 3)	2,189	2,082
Depreciation of investment property (refer note 5)	99	109
Amortisation of intangible assets (refer note 6)	158	159
Total	**2,446**	**2,349**

37 Other expenses

(₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Printing Expenses	1,403	1,181
Binding Expenses	2,932	2,086
Other Manufacturing Expenses	2,106	2,201
Freight & Octroi	1,074	960
Stores & Spares Consumed	682	492
Power & Fuel	422	299
Excise Duty on Sale of goods (upto 30th June 2017)	-	118
Repairs and maintenance		
Building	492	386
Plant & Machinery	372	248
Others	221	209
Royalty	3,381	2,806
Transportation Expenses	2,534	2,012
Legal and Professional Fees	1,322	814
Rent	1,209	1,273
Marketing Expenses	1,114	974
Advertisement	1,047	694
Commission	664	399
Sales Promotion Expenses	362	356
Sales Tax (upto 30th June 2017) / GST Expenses (Refer note 37.1 below)	317	144
Insurance	202	160
Bank Charges	149	96
Rates & Taxes	86	166
Allowance for bad and doubtful debts	76	109
Auditor's remuneration (Refer note 43)	32	18
Bad debts and other irrecoverable advance written off	20	70
Corporate Social Responsibility Expenses (Refer note 49)	777	436
Donation	1	218
Other Expenses (Refer note 37.2 below)	3,472	2,629
Total	**26,469**	**21,554**

37.1 Expense wise breakup in respect of input credit reversals are not readily available and hence such reversal are grouped as GST expenses.

37.2 Other expenses do not include any item of expenditure which is exceeding one percent of the revenue from operations or ₹10,00,000, whichever is higher, in addition to the consideration of 'materiality'.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

38 Contingent liabilities

(a) Tax matters:

i) For disputed Income tax matters ₹526 Lakhs and (Previous year: ₹524 Lakhs) against which amount provided in books is ₹521 Lakhs (Previous year: ₹521 Lakhs) and amount paid under protest is ₹484 Lakhs (Previous year: ₹482 Lakhs) (Refer below note).

Income tax demands mainly include the appeals filed by the Company before various Departmental appellate authorities / High Courts against the disallowances made by income tax authorities of certain deductions / expenses claimed. Pending final decisions, the Company has deposited amounts under protest with Income Tax Authorities.

ii) For disputed Sales tax matters ₹5,205 Lakhs (Previous Year: ₹4,708 Lakhs) against which amount paid ₹309 Lakhs (Previous Year: 282 Lakhs). (Refer below note)

Sales Tax demands have been mainly raised on account of dispute on rate of certain products, non submission of statutory declarations etc. Pending final decisions, the Company has deposited amounts under protest with Sales Tax Department.

Note: Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums / authorities. The management does not expect these claims to succeed and accordingly, no provision has been recognized in the financial statements.

(b) Against bond (mainly GST benefit):

i) Duty free imports for which export obligation is pending as at year end amounting to ₹227 Lakhs (Previous year: ₹141 Lakhs). In the event Company does not meet the respective obligation, GST would have to be paid for which input credit would be available.

(c) Bank Guarantee:

i) Bank Guarantee is given to electricity department (DNH Power Distribution Corporation Limited) for electricity deposit of ₹30 Lakhs (Previous year: ₹63 Lakhs).

(d) Extra duty deposit represents additional duty levied by custom department in respect of items where the final valuation is in the process of being determined by the special valuation bench of the custom department. The company is confident that the additional duty so levied would be refunded by the government upon final determination and there would not be any additional outflow on account of the same. (Refer note 19.1)

39 Capital Commitments and Other Commitments

(a) Estimated amount of contracts remaining to be executed (Net of advances) on capital account is ₹ 1,907 Lakhs (Previous year: ₹803 Lakhs).

(b) Company is committed to fund its wholly owned subsidiaries as and when required.

40 Financial Guarantees are issued in favour of banks against loans taken by subsidiaries. The amount of guarantee is ₹4,650 Lakhs (Previous year: ₹4,650 Lakhs). Accounting entry for fair value of financial guarantee as per Ind AS 109 has been passed in the books of account (Refer note 8 and 26).

41 Operating Leases

(a) As lessor

The existing cancellable operating lease agreements permit the lessee to cancel the arrangement before expiry of the normal tenure of the lease. Hence no disclosures are required to be made.

(b) As lessee

The Company has taken various commercial premises under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to ₹1,209 Lakhs (Previous year: ₹1,273 Lakhs). There are no restrictions imposed by the lease agreements. There are no sub leases.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

42 Derivative Financial Instruments

The Company uses derivative financial instruments such as forwards and options, to hedge its risks associated with foreign exchange fluctuation. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted price for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

(a) The assets and liabilities position of various outstanding derivative financial instruments is given below:

Particulars	2018-19		2017-18	
	In USD	(₹ in Lakhs)	In USD	(₹ in Lakhs)
Hedge				
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge) - Assets	45,18,628	3,123	63,64,339	4,123
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Assets	4,18,46,372	28,920	3,89,75,661	25,657
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Liabilities	64,919	45	Nil	Nil
Foreign currency option contract (with underlying firm commitments considered for cash value hedge) - Assets	30,00,000	2,073	Nil	Nil
Total	**4,94,29,919**	**34,161**	**4,53,40,000**	**29,780**

Note: The Company has exchange rate movement risk for above mentioned foreign currency contracts.

(b) Outstanding position and fair value of various foreign exchange derivative financial instruments: (Refer note 18 and 26)

(₹ in Lakhs)

Particulars	Currency pair		Fair value Gain / (loss) Amount	
			2018-19	2017-18
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge)	USD_INR	Sell	94	(41)
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge)	USD_INR	Sell	653	(121)
	USD_INR	Buy	#	-
Foreign currency option contracts (with underlying firm commitments considered for cash value hedge)	USD_INR	Buy & Sell	72	-
Total Gain / (Loss)			**819**	**(162)**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(c) Details of amount held in hedging reserve (i.e. cash flow hedge) and the period over which these are going to be released:

For the year ended as on 31st March, 2019 (₹ in Lakhs)

Particulars	**Closing value in hedging reserve Gain / (Loss)**	**Release in less than 12 months**	**Release in more than 12 months**
Foreign currency forward contracts (gross amount):			
USD_INR (trade receivables)	653	653	Nil
USD_INR (trade payables)	#	#	Nil
Foreign currency option contracts (gross amount):			
USD_INR (trade payables)	72	72	Nil
Closing balance as at year end	**725**	**725**	**Nil**

For the year ended as on 31st March, 2018 (₹ in Lakhs)

Particulars	**Closing value in hedging reserve Gain / (Loss)**	**Release in less than 12 months**	**Release in more than 12 months**
Foreign currency contracts (gross amount):			
USD_INR (trade receivables)	(121)	(121)	Nil
Closing balance as at year end	**(121)**	**(121)**	**Nil**

(d) Amount of gain / loss (net of taxes) recognised in hedging reserve and recycled:

i) During the financial year 2018-19: (₹ in Lakhs)

Particulars	**Opening balance**	**Net amount recognised**	**Recycled to P&L**	**Closing balance**
Foreign currency forward contracts	(68)	(172)	692	452
Foreign currency option contracts	-	(47)	-	(47)
Total	**(68)**	**(219)**	**692**	**405**

ii) During the financial year 2017-18: (₹ in Lakhs)

Particulars	**Opening balance**	**Net amount recognised**	**Recycled to P&L**	**Closing balance**
Foreign currency contracts	(158)	(367)	458	(68)
Total	**(158)**	**(367)**	**458**	**(68)**

(e) Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.
The amount of gain / (loss) recognised in Statement of Profit and Loss on account of hedge ineffectiveness for cash flow hedges for the year ended 31st March, 2019 is ₹Nil (Previous year: ₹Nil).

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

43 Auditors Remuneration:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Payment to auditor as:		
a) Auditor (i) Statutory audit	18	14
(ii) Tax audit	2	2
b) for taxation matters	11	-
c) for other services	#	2
d) for reimbursement of expenses	#	#
Total	**31**	**18**

44 Earnings Per Share :

Particulars	2018-19	2017-18
Net Profit available for Equity Shareholders as per statement of profit and loss (₹ in Lakhs)	17,747	15,321
Weighted average number of equity shares for basic and diluted EPS (in Numbers)	23,14,26,151	23,35,58,000
Basic and Diluted Earning per share (₹)	7.67	6.56
Face Value Per Equity Share (₹)	**2.00**	**2.00**

45 Details of Loans and Advance and Investments as at the year end and maximum balance thereof as per clause 34(3) read with para A of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(₹ in Lakhs)

Particulars	Amount as at year end	Maximum amount outstanding during the year
Loans & Advances in the nature of Loans:		
Subsidiaries		
Esense Learning Private Limited	450	450
Indiannica Learning Private Limited [Formerly known as 'Encyclopaedia Britannica India Private Limited']	2,900	2,900
	(1,500)	(1,700)

Previous year figures are in bracket

46 Details of loans given, investments made and guarantees given covered under Section 186(4) of the Companies Act, 2013:

(a) Details of investments made have been given as part of Note 8, Investments in Subsidiaries.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(b) Loans and Financial Guarantees given below:

(₹ in Lakhs)

Name of the Company	Relationship	Nature of transaction	2018-19	2017-18
Details of loans *				
eSense Learning Private Limited	Subsidiary Company	Loan given	450	-
Indiannica Learning Private Limited	Subsidiary Company	Loan given	2,900	1,500
Details of Guarantees *				
eSense Learning Private Limited	Subsidiary Company	Financial Guarantee	1,650	1,650
Indiannica Learning Private Limited	Subsidiary Company	Financial Guarantee	3,000	3,000

* Loan and guarantee is for commercial and corporate purpose.

47 Disclosure of movement of provisions :

(a) Provision for sales return (₹ in Lakhs)

Particulars	2018-19	2017-18
Opening balance of provision	909	267
Add: Addition during the year	986	909
Less: Utilized	909	267
Closing balance of provisions	**986**	**909**

Note: Provision has been recognized for expected return for sales made during the year. It is expected that the majority of returns will be in the subsequent financial year against which provision for sales returns would be utilised.

(b) Provision for Discounts (₹ in Lakhs)

Particulars	2018-19	2017-18
Opening balance of provision	255	438
Add: Addition during the year	412	255
Less: Utilized/Written Back	255	438
Closing balance of provisions	**412**	**255**

Note: Provision has been recognized for expected discount to be provided to distributor on the basis of agreed terms and fulfilment of future obligation by distributor.

48 Disclosure pursuant to Indian Accounting Standard 19 'Employee benefits':

(a) The Company has recognized the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

(₹ in Lakhs)

Particulars	2018-19	2017-18
Provident Fund	531	471
Employee State Insurance Corporation	70	70
Labour Welfare Fund	1	1
Total	**602**	**542**

(b) Defined benefit plan and long term employment benefits:

These plans typically expose the Company to actuarial risks such as: Investment, Interest rate, longevity and salary increase risk:

I) Investment / Interest risk: The Company is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit. Since the scheme is unfunded in case of compensated absence, the Company is not exposed to Investment / Interest risk.

II) Longevity Risk: The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

III) Risk of Salary Increase: The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

(i) Defined benefit plan and long term employment benefits: Gratuity (Defined benefit plan):

In respect of Gratuity, the Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of gratuity plan:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Change in Obligation		
Opening Present Value of Accrued Gratuity	3,134	2,703
Service Cost	221	196
Actuarial changes arising from changes in financial assumptions	10	(80)
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in experience adjustments	103	238
Interest Cost	240	196
Less :Benefits paid	(18)	(119)
Closing Present Value of Accrued Gratuity	**3,690**	**3,134**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Change in Plan Asset		
Opening Fund Balance	3,132	2,672
Interest Income	255	207
Adjustment to Opening balance	(1)	-
Return on the plan asset	(11)	#
Contribution by the Company	407	372
Less: Benefits paid	(18)	(119)
Closing Fund Balance	**3,764**	**3,132**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Reconciliation of present value of obligation and the plan asset		
Closing Fund Balance	3,764	3,132
Closing present value of Accrued Gratuity	3,690	3,134
Net Liability / (Asset) recognized in balance sheet	**(74)**	**2**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Expenses recognized in the Statement of Profit & Loss		
Current Service Cost	221	196
Interest Cost	240	196
Expected Return on Plan Assets	(255)	(207)
Curtailment effect	-	-
Settlement effect	-	-
Expenses recognized in the Statement of P&L	206	185

(₹ in Lakhs)

Particulars	2018-19	2017-18
Expenses recognized in the other comprehensive income		
Net Actual (Gain) / Loss recognized	113	159
Return on the plan asset	11	#
Expenses recognized in the other comprehensive income	124	159

Notes on Standalone Financial Statements

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(₹ in Lakhs)

Particulars	2018-19	2017-18
Movement in the Liability recognized in Balance Sheet.		
Opening Net Liability	2	30
Adjustment to Opening balance	1	-
Expenses as above	206	185
Contribution paid	(407)	(372)
Other comprehensive income (OCI)	124	159
Closing Net Liability	**(74)**	**2**

(₹ in Lakhs)

Particulars	2018-19	2017-18
Experience adjustment:		
Experience adjustment on plan liability	-	-
Experience adjustment on plan asset	11	#
Net experience adjustment	**11**	**#**

Sensitivity analysis:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

(₹ in Lakhs)

Defined benefit obligation	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	3,393	4,032
Effect on defined benefit obligation due to decrease by 100 basis point	4,039	33,936

Assumptions

Expected return on plan assets	7.64%	7.67%
Salary escalation rate	8.00%	8.00%
Discounting rate	7.64%	7.67%
Employee attrition rate	0.80% for all ages	0.80% for all ages
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Composition of plan assets	100% with Life Insurance Corporation (LIC)	100% with Life Insurance Corporation (LIC)

The Company contributes all ascertained liabilities towards gratuity to the Life Insurance Corporation of India under their Group Gratuity Scheme. The reimbursement is subject to insurer's Surrender Policy.

As at 31st March, 2019 and 31st March, 2018, the plan assets have been primarily invested in Government securities. The Company expects to contribute ₹425 Lakhs to the gratuity scheme during the next financial year.

Expected maturity analysis of defined benefit obligation

(₹ in Lakhs)

Period	2018-19	2017-18
With in 1 year	537	410
From 1 year to 2 years	132	114
From 2 years to 3 years	412	235
From 3 years to 4 years	195	357
From 4 years to 5 years	189	206
From 5 years to 10 years	1,249	1,544

The weighted average remaining duration of the benefit obligation as at 31st March, 2019 is 9.24 years.

(ii) Defined benefit plan and long term employment benefits: Compensated absences (unfunded)

In respect of Compansated absences, accrual is made on the basis of a year-end actuarial valuation in pursuance of the Company's leave rules.

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The Company has provided for compensated absences based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of leave encashment plan:

(₹ in Lakhs)

Period	2018-19	2017-18
Change in Obligation		
Opening Present Value	1,529	1,322
Service Cost	603	555
Actuarial changes arising from changes in financial assumptions	6	(50)
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in experience adjustments	(483)	(324)
Interest Cost	115	95
Less :Benefits paid	(48)	(69)
Closing Present Value	**1,722**	**1,529**

(₹ in Lakhs)

Period	2018-19	2017-18
Change in Plan Asset		
Opening Fund Balance	-	-
Contribution by the Company	48	69
Less :Benefits paid	(48)	(69)
Closing Fund Balance	**-**	**-**

(₹ in Lakhs)

Period	2018-19	2017-18
Reconciliation of present value of obligation and the plan asset		
Closing Fund Balance	-	-
Closing present value	1,722	1,529
Net Liability recognized in balance sheet	1,722	1,529

(₹ in Lakhs)

Period	2018-19	2017-18
Expenses recognized in the Statement of Profit & Loss		
Current Service Cost	603	555
Interest Cost	115	95
Net Actual (Gain) / Loss recognized	(477)	(374)
Expenses recognized in the Statement of P&L	241	276

(₹ in Lakhs)

Period	2018-19	2017-18
Movement in the Liability recognized in Balance Sheet		
Opening Net Liability	1,529	1,322
Expenses as above	241	276
Benefits paid	(48)	(69)
Closing Net Liability	**1,722**	**1,529**

(₹ in Lakhs)

Sensitivity analysis:		
PVO	**Discount rate**	**Salary escalation rate**
Effect on defined benefit obligation due to increase by 100 basis point	1,543	1,934
Effect on defined benefit obligation due to decrease by 100 basis point	1,938	1,543

Assumptions		
Salary escalation rate	8.00%	8.00%
Discounting rate	7.64%	7.67%
Employee attrition rate	0.80% for all ages	0.80% for all ages
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Composition of plan assets	Not funded	Not funded

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

49 As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities are reducing inequalities faced by socially and economically backward groups, Promoting Education & Preventive Health care which are as per eligible activities specified in Schedule VII of the Companies Act, 2013. (Refer also note 55.3)

(a) Gross amount required to be spent by the Company during the current year is ₹435 Lakhs (Previous year: ₹418 Lakhs).

(b) Details of amount spent during the year are as under:

(₹ in Lakhs)

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purpose other than (i) above	777	-	777
	(436)	**(-)**	**(436)**

(Previous years figures are in bracket)

50 Income tax

A. Income tax expense in the statement of profit and loss consists of:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Current income tax:		
In respect of the current year	9,534	8,287
In respect of the prior years	(26)	11
Deferred tax		
In respect of the current year	(184)	(174)
Income tax expense recognized in the statement of profit or loss	**9,324**	**8,124**
Income tax recognized in other comprehensive income:		
Deferred tax arising on income and expense recognized in OCI		

(₹ in Lakhs)

Particulars	2018-19	2017-18
a) Re-measurement of the net defined benefit plan	(43)	(55)
b) Financial liabilities at fair value (forward contracts)	373	(212)
Income tax expense recognized in other comprehensive income	**330**	**(267)**

B. The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

(₹ in Lakhs)

Particulars	2018-19	2017-18
Profit before tax	27,071	23,445
Enacted income tax rate in India	34.94%	34.61%
Computed expected tax expense	9,460	8,114
Effect of:		
Impact of changes on account of permanent disallowances	422	473
Impact of Chapter VI-A deductions	(370)	(341)
Adjustment to current tax for prior years	(26)	11
Impact of changes on account of deferred tax	(184)	(174)
Impact of tax rate change	-	2
Impact of buy back expense (tax)	(33)	-
Others	54	39
Income tax expense recognized in the statement of profit and loss	**9,324**	**8,124**

Note: The applicable Indian corporate income tax rate for the year ended 31st March, 2019 and 31st March, 2018 is 34.94% and 34.61%, respectively. The increase in the corporate income tax rate to 34.94% is due to the replacement of "Education Cess" and "Secondary and Higher Education Cess" by a new cess named "Health and Education Cess" at the rate of 4% on income-tax and surcharge.

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51 The Board of directors has recommended final dividend of ₹1 per share on face value of ₹2/- each for the Financial year 2018-19 on board meeting held on 15th May, 2019, subject to approval of shareholders in ensuing Annual General Meeting. Dividend Distribution Tax of ₹1,144 Lakhs consequences of dividends to shareholders of the entity that were recommended before the financial statements were approved for issue, but are not recognised as a liability in the financial statements.

52 Fair value of financial assets and liabilities

The management assessed that the fair values of financial asset and financial liabilities approximate their carrying amounts.

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

(a) Fair values of cash and cash equivalents, trade receivables, interest accrued on deposits with bank, bank deposits, trade payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) The management has considered fair value of security deposits, loan from bank, loan from related party, equal to their carrying value as fair values based on the current market interest rates and other risk factors approximate to carrying value.

Fair value hierarchy

The following table presents the financial assets and financial liabilities by level with the fair value measurement hierarchy

(₹ in Lakhs)

		31st March 2019		31st March 2018	
		Level of input used in*	**Carrying Amount**	**Level of input used in**	**Carrying Amount**
a)	**Financial assets**				
	At Amortised Cost				
	Trade receivables	NA	21,986	NA	25,139
	Bank deposits	NA	39	NA	39
	Loans	NA	6,115	NA	4,261
	Other financial assets	NA	58	NA	62
	At Fair Value Through P&L				
	Security deposits	Level 2	1	Level 2	1
	Financial assets at fair value (forward and option contracts)	Level 2	819	Level 2	-
b)	**Financial liabilities**				
	At Amortised Cost				
	Cash Credit	NA	3,000	NA	7,793
	Trade payables	NA	5,212	NA	5,064
	Working capital loan	NA	6,501	NA	13,404
	Commercial paper	NA	20,000	NA	-
	Other financial liability	NA	3,666	NA	2,306

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for the year ended 31st March, 2019

(₹ in Lakhs)

		31st March 2019		31st March 2018	
		Level of input used in*	Carrying Amount	Level of input used in	Carrying Amount
	At Fair Value Through P&L				
	Financial guarantee contracts	Level 2	47	Level 2	142
	Financial liabilities at fair value (forward and option contracts)	Level 2	-	Level 2	162

* There has been no transfer between level 1 and level 2 during the year ended 31st March, 2019 and 31st March, 2018. Level is NA for items valued at amortised cost.

53 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk primarily include trade receivables, trade payables and cash and cash equivalents.

The sensitivity analysis in the following sections relate to the position for the periods presented. The sensitivity analysis has been prepared on the basis that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity obligation and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held at the periods presented.

Interest rate risk

The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in Int. Rate	Effect on profit before tax
31st March, 2019	Increase by 50 basis points (50 bps)	148
	Decrease by 50 basis points (50 bps)	(148)
31st March, 2018	Increase by 50 basis points (50 bps)	106
	Decrease by 50 basis points (50 bps)	(106)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to trade payables, trade receivables and cash and cash equivalent.

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The following table analyses the foreign currency risk from monetary assets and liabilities as at balance sheet date:

Particulars / Foreign currency	2018-19		2017-18	
	Amount in foreign currency	₹ in Lakhs	Amount in foreign currency	₹ in Lakhs
Trade receivables				
GBP	-	-	20,480	18
Advances from customers				
USD	3,37,081	230	1,19,897	78
Advances for expenses to employees				
EUR	6,300	5	-	-
USD	9,020	6	-	-
AED	4,900	1	-	-
Payables				
AED	-	-	1,472	#
EUR	644	#	3,903	3
GBP	4,713	4	1,710	2
HKD	70,290	6	1,04,786	9
USD	25,143	17	53,902	35
Advances to vendors (including advances for capital expenditures)				
USD	77,573	54	81,531	53
CNY	4,45,004	46	8,26,122	85
EUR	81,524	67	41,764	34
GBP	65,841	58	75,304	66
JPY	-	-	15,20,000	9
Balances with banks				
USD	17,00,671	1,175	-	-

Note: - Open purchase / sales orders are not considered for above purpose.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in USD rate	Effect on profit before tax
31st March, 2019	Increase by 500 basis points (500 bps)	36
	Decrease by 500 basis points (500 bps)	(36)
31st March, 2018	Increase by 500 basis points (500 bps)	(2)
	Decrease by 500 basis points (500 bps)	2

Price risk

The Company is not exposed to any significant price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily for trade

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receivables and deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management. The Company evaluates the concentration of risk with respect to trade receivables as low. Out of total trade receivables balance as at 31st March, 2019, ₹1,788 Lakhs (Previous year: ₹2,703 Lakhs) is due from a single US based customer being the Company's largest customer for which the Company has discounted bills with no recourse on Company terms. There are no other customers who represent more than 10% of the balance of trade receivables. Outstanding customer receivables are regularly monitored by the management.

An impairment analysis is performed at each reporting date on an individual basis for major customers.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. Expect as mentioned in Note 14.4.

The ageing of trade receivable and credit loss allowance is as under:

(₹ in Lakhs)

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
As at 31st March, 2019			
Secured	-	-	-
Unsecured	20,932	1,239	22,171
Total receivables	20,932	1,239	22,171
Allowance for doubtful receivables and credit losses			185
Net Receivables	**20,932**	**1,239**	**21,986**
Expected loss rate *			0.83%
As at 31st March, 2018			
Secured	-	-	-
Unsecured	25,160	88	25,248
Total receivables	25,160	88	25,248
Allowance for doubtful receivables and credit losses			109
Net Receivables	**25,160**	**88**	**25,139**
Expected loss rate *			0.43%

* Expected loss rate includes both allowance made based on age of the receivable and expected loss based on historical experience.

Movement in credit loss allowance

(₹ in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Balance at the beginning of the year	109	-
Allowance made during the year	90	109
Reversal of allowance during the year	14	-
Balance at the end of the year	**185**	**109**

Deposits with banks and other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

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Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum level of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2019				
Non-derivative				
Indian rupee loan	6,501	-	-	6,501
Commercial paper	20,000	-	-	20,000
Cash credit facility	3,000	-	-	3,000
Trade payables	5,212	-	-	5,212
Other financial liability	3,666	-	-	3,666
Financial guarantee contract	47	-	-	47
Derivative				
Financial liabilities at fair value (forward contracts)	-	-	-	-

(₹ in Lakhs)

Year ended 31st March, 2018	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative				
Indian rupee loan	13,404	-	-	13,404
Cash credit facility	7,793	-	-	7,793
Trade payables	5,064	-	-	5,064
Other financial liability	2,306	-	-	2,306
Financial guarantee contract	142	-	-	142
Derivative				
Financial liabilities at fair value (forward contracts)	162	-	-	162

The table below summarises the maturity profile of the Company's financial assets based on contractual undiscounted receipts.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2019				
Non-derivative				
Non-current financial assets				
Loans	-	4,928	-	4,928
Current financial assets				
Trade receivables	21,986	-	-	21,986
Loans	1,029	-	-	1,029
Corporate deposit	159	-	-	159
Other current financial assets	58	-	-	58

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(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Derivative				
Current financial assets				
Financial assets at fair value (forward contracts and option contract)	819	-	-	819

(₹ in Lakhs)

Year ended 31st March, 2018	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivative				
Non-current financial assets				
Loans	-	2,042	-	2,042
	-	-	-	-
Current financial assets				
Trade receivables	25,139	-	-	25,139
Loans	2,030	-	-	2,030
Corporate deposit	190	-	-	190
Other current financial assets	97	-	-	97
Derivative				
Current financial assets				
Financial assets at fair value (forward contracts and option contract)	-	-	-	-

The Company is not exposed to significant liquidity risk.

The note below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

(₹ in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Secured cash credit and other borrowing facility		
- Amount used	4,131	12,825
- Amount unused	33,869	25,175
	38,000	**38,000**
Unsecured cash credit and other borrowing facility		
- Amount used	6,500	8,400
- Amount unused	24,500	7,100
	31,000	**15,500**
Total facilities		
- Amount used	10,631	21,225
- Amount unused	58,369	32,275
	69,000	**53,500**

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

54 Capital management

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

The Company manages its capital structure and makes suitable adjustments in light of changes in economic conditions. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, Loan obligation, trade and other payables and less cash and cash equivalents.

(₹ in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Indian rupee loan	6,501	8,400
Commercial papers	20,000	-
Working capital loan	-	5,004
Cash credit facility	3,000	7,793
Trade payables	5,212	5,064
Less: cash and cash equivalent	(1,470)	(379)
Net Debt	**33,243**	**25,882**
Equity	87,196	80,841
Capital and Net debt	1,20,439	1,06,724
Gearing Ratio	28%	24%

55 Statement of Cash Flows notes

55.1 Changes in financing activities arising from cash and non-cash changes:

(₹ in Lakhs)

Particulars	31st March, 2019	Cash flows	Non-cash changes	31st March, 2018
Working capital loan from bank (Refer note 24)	6,501	(6,903)	-	13,404
Commercial paper (Refer note 24)	20,000	20,000	-	-
Total	**26,501**	**13,097**	**-**	**13,404**

55.2 Aggregate outflow on account of direct taxes paid is ₹9,846 Lakhs (Previous year ₹8,903 Lakhs).

55.3 Net cash inflow from operating activity netted off with expenditure on Corporate Social Responsibility (CSR) expenditure of ₹777 Lakhs (Previous year ₹436 Lakhs) (Refer note 49).

56 Company Information

Name of the Entity	Principal place of business	Proportion of ownership (either directly / indirectly through subsidiaries)	
		As at 31st March, 2019	As at 31st March, 2018
Subsidiaries			
eSense Learning Private Limited	India	100.00%	100.00%

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

Name of the Entity	Principal place of business	Proportion of ownership (either directly / indirectly through subsidiaries)	
		As at 31st March, 2019	As at 31st March, 2018
Indiannica Learning Private Limited [Formerly known as 'Encyclopaedia Britannica India Private Limited]	India	100.00%	100.00%
Navneet Learning LLP	India	93.00%	93.00%
Navneet (HK) Limited	Hong Kong	70.00%	70.00%
Associates			
K12 Techno Services Private Limited	India	33.23%	33.23%

57 Related Party Transactions

I) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

(a) Enterprises where control exists:
Subsidiaries:

eSense Learning Private Limited
Navneet Learning LLP
Indiannica Learning Private Limited [Formerly known as 'Encyclopaedia Britannica India Private Limited]
Navneet (HK) Limited

(b) Associates:
K12 Techno Services Private Limited

(b) Other Related Parties with whom transactions have taken place during the year:

(i) Enterprises owned or significantly influenced by key management personnel or their relatives	Navneet Prakashan Kendra	Navneet Foundation
	Vikas Prakashan	Blacksoil Capital Private Limited
	Gala Publishers	Anushka Builders
	Sandeep Agency	The Flagship Advertising Private Limited
	Gala Comp	Sai Plast
	Schoolwear Private Limited (upto 13th March, 2018)	

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

(ii) Key Management Personnel & Relatives	Shri Bipin A. Gala	Shri Kamlesh S. Vikamsey
	Shri Anil D. Gala	Shri Nilesh S. Vikamsey
	Shri Gnanesh D. Gala	Smt. Usha Laxman

Notes on Standalone Financial Statements
for the year ended 31st March, 2019

Shri Raju H. Gala	Shri Tushar K. Jani
Shri Shailendra J. Gala	Shri Mohinder P. Bansal
Shri Sanjeev J. Gala	Dr. Vijay B. Joshi
Shri Kalpesh H. Gala	Shri Archit R.Gala
Shri Ketan B. Gala	Smt Henal T. Mehta
Smt Pooja Ketan Gala	Shri Atul J. Shethia
Shri Devish G Gala	

(iii)	"Key Management Personnel & Relatives" as per the Companies Act, 2013	Shri Deepak L Kaku (Chief Financial Officer) Shri Amit D Buch (Company Secretary)
(iv)	Post employment Benefit Plan	Employees' Gratuity fund

II) Disclosure in respect of transactions with related parties during the year

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for major parties	Amount	Amounts for major parties
1	**Royalty Expense**				
	Subsidiaries:	239		157	
	Esense Learning Private Limited		239		157
	Enterprises owned or significantly influenced by KMP or their relatives, including:	3,085		2,612	
	Navneet Prakashan Kendra		1,737		1,370
	Vikas Prakashan		808		779
	Gala Publishers		540		463
2	**Rent Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	924		906	
	Navneet Prakashan Kendra		678		664
	Vikas Prakashan		55		55
	Gala Publishers		32		30
	Sandeep Agency		159		157
	Gala Comp		-		#
3	**Sales Promotion Expense**				
	Subsidiaries:	29	-	1	
	Esense Learning Private Limited		29		1
4	**Electricity Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	#		#	
	Navneet Prakashan Kendra		#		#
5	**Legal fees**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	153	-	71	
	The Flagship Advertising Private Limited		139		63

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for major parties	Amount	Amounts for major parties
	Henal T.Mehta		14		8
6	**Purchase of Finished Goods & Assets**				
	Subsidiary:	236		23	
	Esense Learning Private Limited		20		23
	Navneet (HK) Limited		216		-
7	**Purchase of Finished Goods & Assets**				
	Subsidiary:	-		48	
	Indiannica Learning Private Limited		-		48
8	**Labour charges paid**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	5		-	
	Sai Plast		5		-
9	**Sundry balance write off**				
	Associates	-		14	
	K12 Techno Services Private Limited		-		14
10	**Short term employee benefits (Remuneration / Salary) Paid to**				
	KMP & their Relative				
	Remuneration / Salary Paid to	1,360		1,193	
	Shri Atul J.Sethia		87		64
	Shri Bipin A.Gala		146		133
	Shri Anil D.Gala		152		133
	Shri Gnanesh D.Gala		152		133
	Shri Shailendra J.Gala		132		126
	Shri Raju H.Gala		158		133
	Shri Sanjeev J.Gala		147		126
	Shri Ketan Bipin Gala		144		126
	Shri Kalpesh H.Gala		139		126
	Smt.Pooja Ketan Gala		5		4
	Shri Archit R.Gala		7		3
	Shri Devish G Gala		9		6
	Shri Deepak L Kaku		46		47
	Shri Amit D Buch		36		33
	Sitting fees paid to non-executive director	10		7	
	Shri Kamlesh S Vikamsey		1		1
	Shri. Nilesh S.Vikamsey		1		#
	Smt. Usha Laxman		2		1
	Shri Tushar K. Jani		1		2
	Shri Mohinder Pal Bansal		2		2
	Dr. Vijay B. Joshi		3		1

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for major parties	Amount	Amounts for major parties
11	**Rent Income**				
	Subsidiaries, including:	73		51	
	eSense Learning Private Limited		69		51
	Indiannica Learning Private Limited		5		-
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		8	
	Blacksoil Capital Private Limited		-		6
	Schoolwear Private Limited		-		2
12	**Job work income**				
	Subsidiaries, including:	34		141	
	Indiannica Learning Private Limited		34		141
	Associates	#		-	
	K12 Techno Services Private Limited		#		-
13	**Interest Income**				
	Subsidiaries, including:	198		105	
	Esense Learning Private Limited		9		
	Indiannica Learning Private Limited		189		105
14	**Sales of Finished Goods / services**				
	Subsidiaries, including:	4		#	
	eSense Learning Private Limited		#		#
	Indiannica Learning Private Limited		4		-
	Enterprises owned or significantly influenced by KMP or their relatives, including:	#		8	
	Navneet Foundation		#		8
15	**Loan Given**				
	Subsidiaries:	1,850		1,500	
	eSense Learning Private Limited		450		-
	Indiannica Learning Private Limited		1,400		1,500
16	**Investment**				
	Subsidiaries, including:	1,435		2,168	
	Navneet Learning LLP		1,435		2,145
	Navneet (HK) Limited		-		23
17	**Investment made (including notional guarantee commission)**				
	Subsidiaries, including:	43		121	
	Esense Learning Private Limited		17		61
	Indiannica Learning Private Limited		26		61

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for major parties	Amount	Amounts for major parties
18	**Loan repayment**				
	Subsidiaries, including:	-		1,700	
	Indiannica Learning Private Limited		-		1,700
19	**Contribution to Post-employment benefit plan**	407		372	
	Employees' Gratuity fund		407		372
20	**Shares bought Back**				
	KMP & their Relative	1,135		-	
	Shri Bipin A. Gala		72		-
	Shri Anil D. Gala		106		-
	Shri Gnanesh D. Gala		102		-
	Shri Shailendra J. Gala		41		-
	Shri Raju H. Gala		56		-
	Shri Sanjeev J. Gala		41		-
	Shri Ketan Bipin Gala		79		-
	Shri Kalpesh H. Gala		134		-
	Smt.Pooja Ketan Gala		9		-
	Shri Archit R. Gala		28		-
21	**Dividend Paid**				
	KMP & their Relative	505		491	
	Shri Bipin A. Gala		34		53
	Shri Anil D. Gala		51		82
	Shri Gnanesh D. Gala		49		79
	Shri Shailendra J. Gala		20		33
	Shri Raju H. Gala		27		28
	Shri Sanjeev J. Gala		20		33
	Shri Ketan Bipin Gala		38		63
	Shri Kalpesh H. Gala		64		90
	Smt.Pooja Ketan Gala		4		7
	Shri Archit R. Gala		13		22
	Dividend paid to non-executive director	#		#	
	Shri Mohinder Pal Bansal		-		#
	Dr. Vijay B. Joshi		#		#
	"Enterprises owned or significantly influenced by KMP or their relatives, including:"	2		3	
	Smt Henal T. Mehta		2		3

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

C Related Parties Accounts Payable/Receivable as on 31st March, 2019

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for major parties	Amount	Amounts for major parties
1	**Loans & Advances Recoverable**				
	Subsidiaries, including:	3,350		#	
	Esense Learning Private Limited (Refer footnote (iv) below)		450		-
	Indiannica Learning Private Limited (Refer footnote (iv) below)		2,900		#
2	**Investments (valued at cost)**				
	Subsidiaries, including:	19,259		17,824	
	Esense Learning Private Limited		2,456		2,456
	Navneet Learning LLP		9,157		7,722
	Indiannica Learning Private Limited		7,623		7,623
	Navneet (HK) Limited		23		23
3	**Investments (valued at fair value)**				
	Financial guarantee contracts (Refer footnote (ii) below)				
	Subsidiaries, including:	321		374	
	Esense Learning Private Limited		204		232
	Indiannica Learning Private Limited		117		142
4	**Trade receivable**				
	Subsidiaries, including:	37		106	
	Indiannica Learning Private Limited		37		106
	Associates	#		-	
	K12 Techno Services Private Limited		#		-
5	**Balance with Fund**	**3,765**		**3,133**	
	Employees' Gratuity Scheme		3,765		3,133

Footnote:

(i) The above figure excludes provision for gratuity and leave benefits which have been actuarially determined on overall basis.

(ii) Financial Guarantee are issued in favour of banks against loans taken by subsidiaries. The amount of guarantee is ₹4,650 Lakhs (Previous Year ₹4,650 Lakhs). Accounting entry for fair value of financial guarantee as per Ind AS has been passed in the books of account (Refer note 8).

(iii) Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services are at arm's length price.

(iv) Interest at the rate of 9% per annum has been charged to Esence Learning Private Limited and Indiannica Learning Private limited.

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

58 Operating Segments

The Company's operations relates to publication of knowledge based information in educational and general books form and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market. Accordingly "Publication" and "Stationery" comprise of the primary segments.

Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting principles and policies used in the preparation of the Standalone Financial Statements, as set out in the note on significant accounting policies, are also consistently applied to record revenue and expenditure, in individual segments.

[A] Primary - Business Segments

(₹ in Lakhs)

Particulars	Publication		Stationery		Others		Total	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018
Revenue	71,076	62,821	64,812	50,096	492	581	1,36,380	113,498
Less : Inter Segment Revenue	-	-	-	-	326	274	326	274
Net Revenue	71,076	62,821	64,812	50,096	165	307	1,36,054	113,224
Other Income	100	317	824	1,616	(7)	(1)	917	1,932
Segment Revenue	**71,176**	**63,138**	**65,636**	**51,712**	**158**	**306**	**1,36,971**	**115,156**
Segment Results	**24,668**	**21,294**	**6,410**	**5,071**	**213**	**(53)**	**31,291**	**26,311**
Add: Unallocated Other Income / (Expense)							1,022	989
Less: Financial Expenses							1,186	597
Less: Unallocable Expenditures							4,056	3,258
Profit Before Taxation							**27,071**	**23,445**
Provision for Taxation (Income tax, Deferred tax and excess provision of earlier years)							9,324	8,124
Profit after taxation							**17,747**	**15,322**
Segment Assets	55,438	46,754	59,032	54,264	9,890	8,676	1,24,360	109,694
Unallocated Assets							5,214	3,825
Total Assets							**1,29,574**	**113,519**
Segment Liabilities	4,831	3,305	6,886	6,371	3	26	11,719	9,702
Unallocated Liabilities							30,658	22,976
Total Liabilities							**42,378**	**32,678**
Capital Expenditure	1,995	1,323	1,210	1,674	-	2	3,204	2,998
Unallocated Capital Expenditure							285	63
Depreciation and amortisation on Segmental Assets	1,329	1,313	959	869	92	112	2,381	2,294
Unallocated Depreciation and amortisation							66	54
Material non cash items other than depreciation and amortisation							96	179

Notes on Standalone Financial Statements

for the year ended 31st March, 2019

Notes :

(i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment, however, revenue and expenses which can not be identified or allocated reasonably to a segment being related to the enterprise as a whole have been grouped as unallocable.

(ii) Segment assets and segment liabilities represent assets and liabilities of respective segments , however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

(iii) The business which have been grouped under "Others" segment comprises of revenue from generation of power by windmill, Pre School, trading items etc.

(iv) In publication segment, concentration of revenues from one customer of the Company were 14.45% and 15.32% of total publication revenue for the year ended 31st March, 2019 and 31st March, 2018 respectively and in stationery segment, concentration of revenues from one customer of the Company were 38.61% and 28.78% of total stationery revenue for the year ended 31st March, 2019 and 31st March, 2018 respectively.

(v) Sales between operating segments are carried out at arm's length basis and are eliminated at Company level consolidation.

[B] Secondary - Geographical Segments

(₹ in Lakhs)

Particulars	North & Central America	Africa	Europe	Australia & Oceania	Rest of the world except India	India	Total
Segment Revenue	29,388	2,107	5,105	15	1,411	98,028	1,36,054
	(17,994)	(1,407)	(3,540)	(23)	(1,009)	(89,250)	(1,13,224)
Segment Assets	2,240	462	890	-	38	1,25,944	1,29,574
	(3,050)	(128)	(680)	-	(214)	(1,09,447)	(1,13,519)
Advance received from customers	15	68	3	-	144	232	462
	(14)	(43)	(3)	-	(17)	(189)	(267)

Previous year figures are in bracket.

59 No significant event has taken place between the balance sheet date and date of meeting of Board of directors.

60 Additional Information as required by para 7 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

Notes on Standalone Financial Statements
for the year ended 31st March, 2019

61 Previous Year Figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Navneet Education Limited

Consolidated financial statements for the year ended 31st March, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NAVNEET EDUCATION LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Navneet Education Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2019, the consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

In respect of the consolidated Ind AS financial statements (refer note 57 & 6.2), the key audit matter was the carrying value of goodwill and Intangible (license) due to continued losses in respect of one of the subsidiary namely Indiannica Learning Private Limited (Indiannica). The said subsidiary is an exclusive licensee of Encyclopaedia Britannica curricular solutions and its business is growing with positive operating margins and the losses are mainly on account of increase in team and infrastructure for future growth. Our procedures on the management's assessment of these matters included discussion on impairment test carried out by management. Considering the above and the future business outlook (approved projections as shared by the management) and the underlying strength in the Company's products and contents, we are satisfied and concur with the management view that no provision is required for impairment of carrying value of goodwill on acquisition and Intangible asset comprising of brand license aggregating to ₹6,982 Lakhs.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India and its associates, has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements in respect of two subsidiary entities whose financial statements reflect total assets of ₹9,193 Lakhs, total revenue of ₹213 Lakhs and net loss (including other comprehensive income) of ₹6 Lakhs for the year ended 31st March, 2019 as considered in the consolidated financial results. In respect to one foreign subsidiary company, financial statements have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country.

   This financial statement has been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the report of such other auditor.

b) The consolidated financial statements also include unaudited results of one associate for which Group's share of net profit (including other comprehensive income) of ₹564 Lakhs. This unaudited financial statement have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of an associate, our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the information provided by the management.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit, we report to the extent applicable that:

(In our view Section 143(3) of the Act is not applicable to one subsidiary which is incorporated outside India),

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated Ind AS financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the auditor;

c) The Consolidated Ind AS financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian .Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder;

e) On the basis of the written representations received from the Directors of the Company as on 31st March, 2019 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary company covered under the Act, none of the directors of the Group companies incorporated in India covered under the Act are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

With respect to the associate company, written representations received from the directors of the said associate company as on 31st March, 2019 and taken on record by the board of directors of the said associate, we report that none of the directors of the associate are disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to reporting on adequacy of internal financial controls system over financial reporting of the Group covered under the Act and the operating effectiveness of such controls to the extent applicable, refer to our separate report given in Annexure I to this report, which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. With respect to associate company whose financial statements have not been audited till the date of signing of this report, refer to our comments in the other matters paragraph in Annexure I;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company and its subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act. In respect to one associate company, Section 197 is not applicable; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the report of statutory auditor of the subsidiary companies and information furnished to us by the management in respect to an associate:

i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated Ind AS financial statements – Refer Note 10.1 and 40(a) to the consolidated Ind AS financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

sd/-
Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 15th May 2019

Annexure I to Independent Auditor's Report for the year ended 31st March, 2019

[Referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" section of our report of even date]

To
The Members
Navneet Education Limited

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

Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of Navneet Education Limited ("the Company") and its subsidiaries (the Company and its subsidiary companies together referred to as "the Group") and its associate company as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of the Company, its subsidiaries and its associate company which are companies incorporated in India, as of that date.

In our opinion, the Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

The respective Board of Directors of the Company, its Subsidiaries and its associate company, which are companies incorporated in India, are responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note"), issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control over financial reporting of the Company, its subsidiaries and its associate company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Other Matters

a) The Company has one subsidiary incorporated outside India and one subsidiary entity not covered under the Act and reporting on the adequacy and operating effectiveness of internal financial controls over financial reporting is not applicable to such subsidiary company and subsidiary entity.

b) The consolidated financial statements also include unaudited results of one associate for which Group's share of net profit (including other comprehensive income) of ₹608 Lakhs. Because financial statements are unaudited, report on internal financial control over financial reporting for the year is not provided to us.

Further, report on internal financial control over financial reporting for the previous financial year ended 31st March, 2018, dated 29th October, 2018 issued by such other statutory auditor, contained a disclaimer of opinion which stated that the Company has not established its internal financial control over financial reporting on criteria based on or essential components of internal control stated in Guidance note issued by the ICAI. Because of this, they were unable to obtain sufficient appropriate audit evidence to provide a basis on their opinion whether the Company had adequate internal financial control over financial reporting and whether such controls were operating effectively. Further, statutory auditor have mentioned that this disclaimer of opinion does not affect their opinion on financial statement for the year ended 31st March, 2018 of the said associate.

Our opinion is not modified in respect of the above matters.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

sd/-
Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 15th May 2019

Consolidated Balance Sheet

as at 31st March, 2019

(₹ in Lakhs)

	Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
I.	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	3	17,026	17,048
	(b) Capital work-in-progress	4	1,350	256
	(c) Investment property	5	137	145
	(d) Goodwill		4,567	4,567
	(e) Other intangible assets	6	3,426	3,700
	(f) Intangible assets under development	7	319	159
	(g) Investments accounted for using the equity method	8	6,573	4,583
	(h) Financial assets			
	(i) Trade receivables	9	23	-
	(ii) Loans	10	2,083	2,084
	(i) Deferred tax assets (net)	11	215	318
	(j) Assets for non-current Tax	12	310	381
	(k) Other non-current assets	13	3,062	761
	TOTAL NON-CURRENT ASSETS		**39,091**	**34,002**
	Current assets			
	(a) Inventories	14	55,127	42,814
	(b) Financial assets			
	(i) Trade receivables	15	29,236	31,810
	(ii) Cash and cash equivalents	16	1,737	503
	(iii) Other bank balances	17	337	181
	(iv) Loans	18	745	754
	(v) Other financial assets	19	882	99
	(d) Other current assets	20	4,600	5,192
	TOTAL CURRENT ASSETS		**92,664**	**81,353**
	TOTAL ASSETS		**1,31,755**	**1,15,355**
II.	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity share capital	21	4,577	4,671
	(b) Other equity	22	74,513	70,501
	Equity attributable to equity holders of the parent		**79,090**	**75,172**
	Non-controlling interests		42	43
	TOTAL EQUITY		**79,132**	**75,215**
	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	23	44	-
	(b) Provisions	24	1,797	1,664
	(c) Other Non current liabilities	25	1	1
	TOTAL NON-CURRENT LIABILITIES		**1,842**	**1,665**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	26	33,699	24,383
	(ii) Trade payables	27		
	- Amount due to micro and small enterprises		1,296	757
	- Amount due to others		7,095	6,598
	(iii) Other financial liabilities	28	3,937	2,737
	(b) Other current liabilities	29	1,146	953
	(c) Provisions	30	3,608	2,652
	(d) Liabilities for Current Tax	31	-	395
	TOTAL CURRENT LIABILITIES		**50,781**	**38,475**
	TOTAL EQUITY AND LIABILITIES		**1,31,755**	**1,15,355**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in Lakhs)

	Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I	Revenue from operations	32	1,44,501	1,20,398
II	Other Income	33	1,692	2,600
III	**Total Revenue (I + II)**		**1,46,193**	**1,22,998**
IV	**Expenses**			
	Cost of materials consumed	34	76,065	61,666
	Purchase of stock-in-trade		374	622
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(6,234)	(3,800)
	Employee benefits expense	36	17,125	14,681
	Finance costs	37	1,532	773
	Depreciation and amortization expense	38	3,270	3,066
	Other expenses	39	30,091	24,987
IV	**Total expenses**		**1,22,223**	**1,01,995**
V	Profit before tax (III - IV)		23,970	21,003
VI	Tax expense:			
	Current Tax		9,534	8,287
	Deferred Tax		(259)	(45)
	(Excess) / Short Provision of earlier year		(26)	11
			9,249	**8,253**
VII	**Profit for the year (V - VI)**		**14,721**	**12,750**
VIII	Share of profit / (loss) of an associate		561	(14)
IX	**Profit for the year (VII + VIII)**		**15,282**	**12,736**
X	**Other comprehensive income:**			
a)	Items that will not be reclassified to profit or loss in subsequent year (including Group's proportionate share of an associate)			
	Remeasurement of net defined benefit plan		(96)	(134)
	Less: Income tax on above		43	50
b)	Items that will be reclassified to profit or loss in subsequent year			
	Cash flow hedge through other comprehensive income		846	(579)
	Less: Income tax on above		(373)	212
X	**Total other comprehensive income / (loss) for the year, net of tax**		**421**	**(451)**
XI	**Total Comprehensive Income for the year (IX + X) (Total of profit and other comprehensive income for the year)**		**15,702**	**12,285**
	Profit attributable to:			
	Owners of the parent		15,283	12,736
	Non-controlling interest		(1)	#
			15,282	**12,736**
	Other comprehensive income attributable to:			
	Owners of the parent		421	(451)
	Non-controlling interest		-	-
			421	**(451)**
	Earnings per equity share of ₹2/- each (Previous Year: ₹2/- each)	44		
	(1) Basic		6.60	5.45
	(2) Diluted		6.60	5.45

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Consolidated Statement of Cash Flow

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Cash Flow from Operating Activities		
Net profit before tax and share of loss in associates	24,531	20,989
Adjustments for :		
Interest Income	(487)	(202)
(Profit) / Loss on disposal of property, plant and equipment	13	(40)
(Profit) / Loss on sale of investments	(22)	(116)
(Profit) / Loss on sale of LLP	2	2
Fixed assets discarded / disposed off	-	85
Share of (profit) / loss of an associate	(561)	14
Inventory written off	299	163
Bad-debt written off	97	225
Finance cost (net)	1,532	773
Changes in fair value of financial assets or liabilities	(96)	(134)
Provisions for Doubtful Advances	109	28
Allowance for bad and doubtful debts and credit losses	166	257
Unrealised foreign exchange fluctuation loss/(gain)	(1)	96
Depreciation and amortization expense	3,270	3,066
	28,852	**25,206**
Changes in operating assets and liabilities:		
(Increase) / Decrease in inventories	(12,612)	(4,549)
(Increase) / Decrease in trade and other receivables	2,319	(4,609)
(Increase) / Decrease in other financial assets	(939)	(56)
(Increase) / Decrease in other non-current assets	(2,301)	(11)
(Increase) / Decrease in other current assets	547	(2,716)
(Increase) / Decrease in Loans & Advances	10	284
Increase / (Decrease) in trade and other payables	1,035	400
Increase / (Decrease) in provisions	1,089	697
Increase / (Decrease) in other non current liabilities	(1)	(113)
Increase / (Decrease) in financial liabilities	964	(523)
Increase / (Decrease) in current liabilities	195	(355)
	19,158	**13,655**
Less: Income taxes paid (Refer note 3 below)	(9,631)	(8,860)
Net cash inflow from Operating Activities (A)	**9,527**	**4,795**
Cash flow from Investing Activities		
Purchase of property, plant and equipment, investment property, intangible assets (including under development) and change in capital work-in-progress	(3,277)	(3,719)
Proceeds from disposal of property, plant and equipment	62	239
Payment for purchase of investment	(33,400)	(1,64,360)
Proceeds from sale of investment	33,422	1,64,476
Payments for capital contribution in LLP (subsidiary entity) for additional investment in an Associate	(1,432)	(2,152)
Exchange Loss on additional capital in foreign subsidiary	-	#
Interest income	487	202
	(4,138)	**(5,314)**

Consolidated Statement of Cash Flow

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Less: Income taxes paid (Refer note 3 below)	(168)	(43)
Net cash (outflow) from Investing Activities (B)	**(4,306)**	**(5,357)**
Cash flow from Financing Activities		
Payment against buyback of shares (face value and premium)	(7,500)	-
Buy back expense (Net of tax of ₹ 32 Lakhs)	(61)	-
Proceeds from / (repayment of) working capital loan	(5,954)	53
Proceeds from / (repayment of) rupee loan	(1,899)	(100)
Proceeds from / (repayment of) vehicle loan	44	(47)
Proceeds from issue of commercial paper	72,000	27,000
Repayment of commercial paper	(52,000)	(27,000)
Finance Cost (Net)	(1,532)	(773)
Dividend Paid (including Dividend Distribution Tax of ₹ 720 Lakhs)	(4,223)	(7,028)
Net cash (outflow) from Financing Activities (C)	**(1,125)**	**(7,895)**
Net Increase in Cash and Cash Equivalents (A + B + C)	**4,096**	**(8,457)**
Cash and cash equivalent as at the commencement of the year	(9,226)	(769)
Cash and cash equivalent as at the end of the year	(5,161)	(9,226)
Unrealised loss / (gain) in respect of foreign currency cash and bank balances	31	-
Net Increase as mentioned above	**4,096**	**(8,457)**

Notes:

1. The above Statement of Cash Flow has been prepared under the 'Indirect Method' set out in IND AS 7, "Statement of Cash Flows".
2. Refer note 51 for changes in financing activities arising from cash and non-cash changes.
3. Aggregate taxes paid during the year ₹9,799 (Previous year: ₹8,903).
4. Reconciliation of cash and cash equivalents as per cash flow statement:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Cash and cash equivalents (note 16)	1,737	503
Bank overdrafts (note 26)	(2,718)	(1,852)
Cash credit considered as cash and cash equivalents (note 26)	(4,180)	(7,877)
Balances as per statement of cash flow	**(5,161)**	**(9,226)**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Significant Accounting Policies

for the year ended 31st March, 2019

1. Group overview, nature of entity's operations and its principal activities

Navneet Education Limited ('the Holding Company') is a public limited company, together with its subsidiaries and associates (collectively referred to as 'the Group'). The operations of the Group are primarily manufacturing and trading of education books, reference books, technical & professional books in paper form and e-learning form and also paper and non-paper based stationery products.

The Holding Company is incorporated and domiciled in India and has its registered office at Navneet Bhavan, Near Shardasharam Society, Bhavani Shankar Road, Dadar, Mumbai - 400028, Maharashtra, India. The Holding Company is listed on Bombay Stock Exchange and National Stock Exchange.

The consolidated financial statements of the Group for the year ended 31st March, 2019 were approved and adopted by board of directors of the Holding Company on their meeting dated 15th May, 2019.

2. Significant Accounting Policies and Key Accounting Estimates and Judgments

2.1 Basis of preparation

a) Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Group has consistently applied the accounting policies used in the preparation of its consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are prepared in INR which is the functional and presentation currency. All amounts are rounded to the nearest Lakhs, except when otherwise mentioned figure of ₹50,000 or less have be denoted by #.

c) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention on accrual basis except for the following:

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

ii) Defined benefit plans measured at fair value

2.2 Basis of Consolidation

a) Principles of consolidation

i) The consolidated financial statements relate to the financial statement of the holding Company, its Subsidiaries and Associates as at 31st March, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

   a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

   b) Exposure, or rights, to variable returns from its involvement with the investee, and

   c) The ability to use its power over the investee to affect its returns

ii) The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control.

iii) Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary

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acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

iv) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

v) The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding Company, i.e., year ended on 31st March, 2019. When the end of the reporting period of the holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the holding Company to enable the holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

b) Consolidation procedure:

i) Consolidation procedure for subsidiaries

a) The financial statements of the Group have been combined on line-by-line basis by adding book values of like items of assets, liabilities, equity, income, expenses and cash flows of the holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

b) Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

c) Foreign subsidiary

Functional and reporting currency of foreign subsidiary is different from the reporting currency of the Holding Company. All assets and liabilities (excluding share capital and opening reserves and surplus) of foreign subsidiary are translated into INR using the exchange rate prevailing at the reporting date. The income and expenses of foreign subsidiary is translated into Indian Rupee at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign subsidiary), except to the extent that the exchange differences are allocated to Non-controlling interest (NCI).

When a foreign subsidiary is disposed of in its entirety or partially such that control, significant influence or join control is lost, the cumulative amount of exchange differences related to that foreign subsidiary recognised in OCI is reclassified to the Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount of foreign exchange differences is re-allocated to NCI. When the Group disposes of only a part of its interest in an Associate or a Joint Venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount of foreign exchange differences is reclassified to the Statement of Profit and Loss.

ii) Consolidation procedure for the associates

a) Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group.

b) The consolidated statement of profit and loss (including the other comprehensive income)

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includes the Group's share of the results of the operations of the investee.

c) The Group discontinues the use of equity method from the date when investee ceases to be an associate.

d) Goodwill relating to the associates are included in the carrying amount of the investment and is not tested for impairment individually.

iii) Eliminations

a) Offset (eliminate) the carrying amount of the holding Company's investment in each subsidiary and the holding Company's portion of equity of each subsidiary.

b) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 'Income Taxes' applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

c) Business combination:

i) The excess of cost to the holding Company of its investment in Subsidiaries and Associate over the holding Company's portion of equity, at the date on which investment in Subsidiaries and Associate is made, is recognized as Goodwill in the Consolidated Financial Statements. When the cost to the holding Company is less than the holding Company's portion of equity, the difference is recognized in the financial statements as Capital Reserve.

ii) After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

iii) Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

2.3 Significant Accounting policies

a) Presentation and disclosure of consolidated financial statements

All assets and liabilities have been classified as current and non-current as per Group's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a Group whose consolidated financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Based on the nature of business and their realization in cash and cash equivalents, 12 months has been considered by the Group for the purpose of current / non-current classification of assets and liabilities.

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

b) Property, plant and equipment & Depreciation

i) All Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost of property, plant and equipment includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of any obligatory decommissioning cost for its intended use.

ii) Capital work-in-progress comprises of cost incurred on property, plant and equipment not yet ready for their intended use at the Balance Sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

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iii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

iv) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

v) When parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item (major components) of property, plant and equipment.

vi) Depreciation on property, plant and equipment

i. Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013, except the following cases:

- In case of one subsidiary 'Indiannica Learning Private Limited', where depreciation is calculated on straight line basis as per useful lives prescribed under Schedule II of the Companies Act, 2013 and estimated useful life of 3 years for servers and networks being lower than the useful life of 6 years as prescribed under Part C of Schedule II of the Companies Act, 2013.

- In case of one subsidiary 'Esense Learning Private Limited', where Computers given on lease are depreciated on straight line method for 5 years.

- Individual assets whose cost does not exceed ten thousand rupees has been provided fully in the year of capitalization.

ii. In the case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.

iii. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

c) Investment properties & Depreciation on investment properties

i) Property (Land or a Building or part of a building or both and related equipment's & furniture) that are held for long term rental fields or for capital appreciation or both, rather than for:

a) Use in the production or supply of goods or services or for administrative purposes; or

b) Sale in the ordinary course of business.

are recognized as investment property in books of accounts.

ii) Investment properties are measured initially at cost, including transaction costs. Cost of investment properties includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of any obligatory decommissioning cost for its intended use.

Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

iii) Depreciation on investment properties

a) Depreciation on investment properties is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013.

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b) In the case of investment property purchased, sold or discarded during the year, depreciation on such investment property is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such investment property has been sold or discarded.

c) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

d) Intangible assets & Amortisation

i) Acquired intangible assets:

Intangible assets are recognized when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. At initial recognition, intangible assets are recognized at cost. Intangible assets are carried at cost less accumulated amortization and accumulated impairment loss; if any.

Amortisation of intangible assets is provided on straight line basis over the estimated useful life as tabulated below:

Block	Useful life
Trademark and copyright	10 years
Software	3 years (2.5 years on straight line basis in case of one subsidiary 'Indiannica Learning Private Limited')

License is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license.

ii) Internally generated intangible assets:

Content development expenditure incurred where it is reasonably certain that outcome of development will be commercially exploited to yield economic benefits to the Group, is considered as an intangible asset. Content development cost includes majorly salaries related to contents capitalised during the year.

Estimated useful life of internally generated intangible assets are as tabulated below:

Block	Useful life
Content	Straight 25.00% from year in which project is capitalised
Tech Platform	Straight 33.33% from year in which project is capitalised

iii) The useful lives and methods of amortisation of intangible assets are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

e) Impairment of non-financial assets

Assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

f) Inventories

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

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

i) Raw Materials (including pen drive, CD), Packing Materials, Stores & 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

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which they will be incorporated are expected to be sold at or above cost.

The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs after deducting discounts and rebates which are incurred in bringing the inventories to their present location and condition. Cost is determined on the weighted average basis (first-in first-out basis in case of one subsidiary 'Indiannica Learning Private Limited'). Cost also includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

ii) Finished Goods and Work in Progress are valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average basis (first-in first-out basis in case of one subsidiary 'Indiannica Learning Private Limited'), conversion cost (i.e. costs directly related to the units of production), an appropriate proportion of manufacturing overheads based on normal operating capacity and other costs incurred in bringing them to their present location and condition. 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.

iii) Stocks in trade (Traded goods) are valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average basis (first-in first-out basis in case of one subsidiary 'Indiannica Learning Private Limited'), and other costs incurred in bringing them to their present location and condition.

iv) Scraps are valued at estimated net realizable value.

v) Cost of inventories is arrived at after providing for cost of obsolescence wherever considered necessary.

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

g) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost.

h) Operating Segments

Operating segments have been identified taking into account the nature of the products / services, geographical locations, nature of risks and returns, internal organization structure and internal financial reporting system. The Group prepared its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Group as a whole.

Based on the 'management approach' as defined in Ind AS 108 'Operating Segments', the Managing Director / Chief Financial Officer evaluates the Group's performance based on an analysis of various performance indicators by business segment. Operating Segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM).

i) Financial instruments

Initial recognition

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payables are recognized net of directly attributable transaction costs.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instrument'.

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Subsequent measurement

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non-derivative financial assets:

Financial assets at amortised cost and the effective interest method

Debt instruments shall be measured at amortised cost if both of the following conditions are met:

i. the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling assets;

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs.

They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at Fair Value Through Profit & Loss (FVTPL) if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Equity instruments at FVTOCI

A financial asset is held for trading if:

i) it has been acquired principally for the purpose of selling it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or

iii) it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the other comprehensive income is directly reclassified to retained earnings.

For equity instruments measured at fair value through other comprehensive income no impairments are recognised in the statement of profit and loss.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Financial assets at FVTPL

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Group designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

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Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is measured in a way that reflects:

i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

ii) the time value of money; and

iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Group derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amounts allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. Cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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Financial liabilities and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either 'financial liabilities at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i) it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or

iii) It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii) the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or

iii) It forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

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Financial guarantee contracts issued by the Holding Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);

ii) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

iii) Hedges of a net investment in a foreign operation (net investment hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

The full fair value of a hedging derivative is classified as a non-current financial asset or financial liability when the residual maturity of the derivative is more than 12 months and as a current financial asset or financial liability when the residual maturity of the derivative is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the statement of profit and loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in

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other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

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

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included with in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

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

j) Revenue recognition

On 1st April, 2018, the Group has adopted Ind AS 115, 'Revenue from Contracts with Customers'. Adoption of this standard does not have any impact on any sale recognition prior to effective date of this standard. Accordingly, the policy for Revenue as presented in the Group's financial statements are as under:

- **Revenue from operation**

The Group recognizes revenue when the amount can be reliably measured, to the extent it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. Amounts disclosed as revenue are inclusive of excise duty (wherever applicable) and net of VAT, Service Tax (wherever applicable) and Goods and Service Tax (GST), discounts and other rebates etc.

o Sale of goods is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products are recorded at the fair value of the consideration received or receivable, net of returns and allowances, trade, volume & other discounts.

Accumulated experience is used to estimate and provide for turnover discounts, expected cash discounts, other eligible discounts, expected returns and incentives. No element of financing is

Significant Accounting Policies

for the year ended 31st March, 2019

deemed present as the sales are made with normal credit terms.

- o Revenue from subscription of digital content and royalty for right to use license are accounted over the subscription period / agreement period in accordance with the terms of the arrangement.

- o Revenue from sale of educational contents is recognized as under:

  - ▪ In case the sale is in the nature of right to use, the revenue is recognized at the point of time when the license for the content is activated and there are no further performance obligations.

  - ▪ In case the sale is in the nature of right to access, the revenue is recognized over the license period on straight line basis.

- o Revenue from sale of hardware is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products.

- o Sale of services are recognised upon rendering of services and fixed price contracts (including right to use contents) are recognised over the contract period on pro-rata basis.

- o Income from power generation is recognized on the basis of electrical units generated & transferred to transmission company (in excess of captive consumption) and is recognized at prescribed rate as per agreement for sale of electricity by the Group. Income from power generation is grouped under 'Other operating revenue'.

- **Other Income**

  - o Interest income in respect of all the Debt Instruments, financial guarantee's and deposits which are measured at cost or at fair value through other comprehensive income, is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest Income is included in other Income in the statement of profit and loss.

  - o Lease income / rental income is recognised (net of service tax / GST) as per the terms of the relevant agreement.

  - o Dividend income on investment is accounted for in the year in which the right to receive the payment is established.

  - o Royalty income on copyright of contents is recognised as per the terms of the agreement.

- Contracts with customer and significant judgement in applying the standard

  - o The Group's contracts with customers mainly include promises to transfer products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract, if any.

  - o Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

k) Government grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Incentives on exports related to operations as provided by government are recognized in books after due consideration of certainty of utilization / receipt of such incentive.

Significant Accounting Policies

for the year ended 31st March, 2019

l) Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets, otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition.

m) Foreign currency transactions

Foreign Currency transactions are translated into the functional currency of the respective group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rates). As at the Balance Sheet date, foreign currency monetary assets and liabilities are translated at closing exchange rate. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Effective 1st April, 2018, the Group has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

n) Employee benefits

i) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Post-employment benefits

a) Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labour Welfare Fund, Employee State Insurance Scheme, Government Pension Fund and Superannuation Fund in respect of certain employees at a pre-determined rate. The Group's contribution to defined contribution plans are recognised in the statement of profit and loss in the period in which the employee renders the related services.

b) Defined benefit plan

The Group has defined benefit plans comprising of Gratuity. Group's obligation towards gratuity liability, wherever applicable, is funded and is managed by Life Insurance Corporation of India (LIC), except in case of one subsidiary 'Esense Learning Private Limited'. The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Significant Accounting Policies

for the year ended 31st March, 2019

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

The expected return on plan assets is the Group's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

c) Other long-term benefits

The Group has other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

o) Leases

i) As a Lessee:

Leases of property, plant and equipment where the Group, as a lessee, has substantially all the risks and rewards relating to ownership are classified as finance leases at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each Lease Payment is allocated between the liability and finance cost. The finance cost is charged to the Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under the operating leases are charged to profit & loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with the expected inflationary increase.

ii) As a Lessor:

Lease income from operating leases where the Group is a lessor is recognized (net of service tax and GST) in income on a straight line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

p) Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

i) Current tax:

The current income tax expense charge is calculated on the basis of the tax laws enacted at the end of the reporting period to each entity of the Group. Management of each entity establishes proper provisions on the basis of amounts expected to be paid to the tax authorities.

The Group offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognised amounts and where it intends either

Significant Accounting Policies

for the year ended 31st March, 2019

to settle on a net basis, or to realize the assets and settle the liability simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred Income Tax:

Deferred income tax is provided in full, using the Balance Sheet Method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using the tax rates that have been enacted at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in Equity, respectively.

q) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts and cash credit as they are considered an integral part of the Group's cash management.

r) Cash flow statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

s) Provisions and contingent liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

Significant Accounting Policies

for the year ended 31st March, 2019

t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible instruments and it is included from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.4 Use of significant accounting estimates, judgements and assumptions

The preparation of the consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of consolidated financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

a) Estimated useful lives and scrap value (Property, plant & equipment, Investment properties and Intangible assets)

The Group has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment, investment properties and intangible assets based on its internal technical assessment. Property, plant & equipment, investment properties and intangible assets represent a significant proportion of the asset base of the Group. Further the Group has estimated that scrap value of property, plant & equipment and would be able to cover the decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortisation and decommissioning costs are critical to the Group's financial position and performance.

b) Impairment testing for Licenses under intangible assets, internally generated intangible assets and Goodwill on consolidation

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of future growth, discount rates etc. The Group has prepared projections for next 5 years which have been used for the said calculations.

c) Allowances for doubtful receivables and credit losses

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the Group as forward looking estimates at the end of each reporting period.

d) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognized where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be

Significant Accounting Policies

for the year ended 31st March, 2019

confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgment and estimates in recognizing the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

2.5 New standard issued / modified effective from 1st April 2019 but not effective as at reporting date

a) Ind AS 116 'Leases'

MCA has issued Ind AS 116 'Leases' which is effective from 1st April, 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 'Leases'. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right to use asset and a corresponding liability for all leases with a term of more than 12 months, unless the underlying asset is of low value. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The management of the Group does not expect any significant impact of the amendment on its financial statements.

b) Ind AS 12 'Income taxes' [Uncertainty over Income Tax Treatments]

MCA has issued amendment Ind AS 12 related to uncertainty over Income Tax Treatments which clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

(1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty;

(2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount;

Entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not have any uncertainty related to income tax matters.

c) Ind AS 12 'Income taxes'

Further, an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any significant impact from this amendment.

d) Ind AS 109 'Financial Instrument' [Prepayment Features with Negative Compensation]

Amendments made to Ind AS 109, which amend the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not have any significant impact of this amendment on its financial statements.

e) Ind AS 28 'Long Term Interest in Associates & Joint Ventures'

Amendment in Ind AS 28 wherein it is clarified that an entity applies Ind AS 109 to Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not have any long-term interests in associates and joint ventures to which equity method is not applied.

f) Ind AS 19 'Employee Benefits'

Amendments to Ind AS 19 to clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the

Significant Accounting Policies

for the year ended 31st March, 2019

remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect any significant impact for this amendment on its financial statements.

g) Ind AS 103 'Business Combinations' and Ind AS 111 'Joint Arrangements'

The amendments to Ind AS 103 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

h) Ind AS 23 'Borrowing Costs'

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this pronouncement.

Consolidated Statement Of Changes In Equity

for the year ended 31st March, 2019

A. Equity Share Capital

(₹ in Lakhs)

Balance at 1st April, 2017	Changes in equity share capital during the year 2017-18	Balance at 31st March, 2018	Changes in equity share capital during the year 2018-19	Balance at 31st March, 2019
4,671	-	4,671	(94)	4,577

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and surplus				Other comprehensive income			Total other equity
	Capital Redemption Reserve	Capital Reserve	General Reserve	Retained earnings	Re-measurement of the net defined benefit plan	Foreign currency reserve on conversion of foreign subsidiary	Cash flow hedge through other comprehensive income	
Balance as at 31st March, 2017	**127**	**76**	**9,716**	**55,284**	**(335)**	**-**	**(158)**	**64,710**
Amount utilized for Dividend and Dividend Distribution Tax	-	-	-	(7,028)	-	-	-	(7,028)
Reversal of Ind AS transition adjustment	-	-	-	80	-	-	-	80
Addition during the year (net of taxes)	-	-	-	-	(85)	(2)	(68)	(155)
Deduction / reversal during the year	-	-	-	-	-	-	158	158
Interest accrued on CCD (classified under equity)	-	-	-	#	-	-	-	#
Net profit for the year	-	-	-	12,736	-	-	-	12,736
Balance as at 31st March, 2018	**127**	**76**	**9,716**	**61,072**	**(420)**	**(2)**	**(68)**	**70,501**
Amount utilized for Dividend and Dividend Distribution Tax	-		-	(4,223)	-	-	-	(4,223)
Amount transferred to capital redemption reserve upon buyback (Refer note 21.1)	94	-	(94)	-	-	-	-	-
Amount utilized for buy back of shares	-	-	(7,406)	-	-	-	-	(7,406)
Buy-back expenses (net of tax)	-	-	(61)	-	-	-	-	(61)
Addition during the year (net of taxes)	-	-	-	-	(53)	#	473	420
Net profit for the year	-	-	-	15,282	-	-	-	15,282
Balance as at 31st March, 2019	**221**	**76**	**2,155**	**72,131**	**(473)**	**(2)**	**405**	**74,513**

Note: Refer note 22 for nature and purpose of other equity.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

3 Property, plant and equipment (PPE)

(₹ in Lakhs)

Description of Assets	Land (Refer note 3.1)	Lease-hold Property	Build-ings (Refer note 3.4)	Plant and Equip-ment	Office Equip-ment	Furni-ture and Fixtures	Vehicles (Refer note 3.3)	Total
Gross block as at 31st March, 2017	**1,811**	**171**	**13,499**	**19,184**	**448**	**1,740**	**2,001**	**38,854**
Additions during the year 2017-18	-	-	107	2,490	44	19	387	3,047
Deduction / adjustments for the year 2017-18	-	-	-	979	13	1	295	1,288
Gross block as at 31st March, 2018	**1,811**	**171**	**13,606**	**20,695**	**479**	**1,758**	**2,093**	**40,613**
Additions during the year 2018-19	-	-	294	1,316	52	262	519	2,443
Deduction / adjustments for the year 2018-19	-	-	-	679	34	56	135	904
Gross block as at 31st March, 2019	**1,811**	**171**	**13,900**	**21,332**	**497**	**1,964**	**2,477**	**42,152**
Depreciation upto 31st March, 2017	**84**	**19**	**5,597**	**13,410**	**370**	**1,391**	**1,497**	**22,368**
Depreciation for the year 2017-18	-	21	705	1,266	43	90	192	2,317
Deduction / adjustments for the year 2017-18	-	-	-	881	11	1	228	1,121
Depreciation upto 31st March, 2018	**84**	**40**	**6,302**	**13,795**	**402**	**1,480**	**1,461**	**23,564**
Depreciation for the year 2018-19	-	22	612	1,363	41	107	246	2,391
Deduction / adjustments for the year 2018-19	-	-	-	629	32	42	126	829
Depreciation upto 31st March, 2019	**84**	**62**	**6,914**	**14,529**	**411**	**1,545**	**1,581**	**25,126**
Net Block as at 31st March, 2019	**1,727**	**109**	**6,986**	**6,803**	**86**	**419**	**896**	**17,026**
Net Block as at 31st March, 2018	1,727	131	7,305	6,900	77	278	631	17,048

3.1 Land includes a leasehold land whose gross block of ₹86 Lakhs (Previous year: ₹86 Lakhs) and accumulated depreciation of ₹84 Lakhs (Previous year: ₹84 Lakhs).

3.2 For one of the subsidiaries 'Indiannica Learning Private Limited', details of charge created on property, plant and equipment, refer note 26.3 of the consolidated financial statements.

3.3 For details of hypothecation charge created on vehicle, refer note 23 of the consolidated financial statements.

3.4 Building with a carrying amount of ₹1,270 Lakhs (Previous year: ₹1,334 Lakhs) is subject to first charge to secure bank loan (refer note 26.1).

4 Capital work-in-progress

(₹ in Lakhs)

Description of Assets	Land	Plant and Equipment	Furniture	Total
As at 31st March, 2017	**43**	**233**	**-**	**276**
Additions during the year 2017-18	#	35	155	190
Capitalised in PPE in year 2017-18	-	210	-	210
As at 31st March, 2018	**43**	**58**	**155**	**256**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

Description of Assets	Land	Plant and Equipment	Furniture	Total
Additions during the year 2018-19	9	1,286	-	1,294
Capitalised in PPE in year 2018-19	-	46	155	200
As at 31st March, 2019	**52**	**1,298**	**-**	**1,350**

5 Investment Property

(₹ in Lakhs)

Description of Assets	Building	Plant and Equipment	Total
Gross block as at 31st March, 2017	**616**	**1**	**617**
Additions during the year 2017-18	-	-	-
Deduction for the year 2017-18	57	1	58
Gross block as at 31st March, 2018	**559**	**-**	**559**
Additions during the year 2018-19	-	-	-
Deduction for the year 2018-19	-	-	-
Gross block as at 31st March, 2019	**559**	**-**	**559**
Depreciation upto 31st March, 2017	**431**	**1**	**432**
Depreciation for the year 2017-18	9	-	9
Deduction for the year 2017-18	26	1	27
Depreciation upto 31st March, 2018	**414**	**-**	**414**
Depreciation for the year 2018-19	8	-	8
Deduction for the year 2018-19	-	-	-
Depreciation upto 31st March, 2019	**422**	**-**	**422**
Net Block as at 31st March, 2019	**137**	**-**	**137**
Net Block as at 31st March, 2018	145	-	145

5.1 Amount recognized in Statement of Profit and Loss for investment properties:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income (grouped under note 33 in other income)	430	365
Direct operating expenses that generated rental income	(39)	(42)
Direct operating expenses that did not generate rental income	-	-
Profit from investment properties before depreciation	391	323
Depreciation	(8)	(108)
Profit from investment properties	383	215

Also refer note 42 (a) for disclosure related to 'Leases' of investment properties.

5.2 As at year end, the fair values of investment properties are ₹9,974 Lakhs (Previous year: ₹9,514 Lakhs). The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

professional qualifications and recent experience in the location and category of the property being valued.

5.3 The group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance & enhancements and there are no restriction on remittance of income and proceed on disposal.

6 Other intangible assets (Other than Goodwill)

(₹ in Lakhs)

Description of Assets	Content (internally generated)	Technology Platform (internally generated)	Trade Mark	Licenses	Copy Right	SAP	Software	Total
Gross block as at 31st March, 2017	**-**	**-**	**441**	**3,499**	**1,046**	**247**	**1,101**	**6,334**
Additions during the year 2017-18	362	-	1	-	52	-	34	449
Deduction for the year 2017-18	-	-	-	-	-	-	58	58
Gross block as at 31st March, 2018	**362**	**-**	**442**	**3,499**	**1,098**	**247**	**1,077**	**6,725**
Additions during the year 2018-19	418	86	#	-	-	-	92	596
Deduction for the year 2018-19	-	-	-	-	-	-	#	-
Gross block as at 31st March, 2019	**780**	**86**	**442**	**3,499**	**1,098**	**247**	**1,169**	**7,321**
Accumulated amortisation upto 31st March, 2017	**-**	**-**	**440**	**120**	**519**	**247**	**1,018**	**2,344**
Amortisation expense for the year 2017-18	91	-	#	482	110	-	56	739
Deduction for the year 2017-18	-	-	-	-	-	-	58	58
Accumulated amortisation upto 31st March, 2018	**91**	**-**	**440**	**602**	**629**	**247**	**1,016**	**3,025**
Amortisation expense for the year 2018-19	195	29	#	482	110	-	54	870
Deduction for the year 2018-19	-	-	-	-	-	-	#	#
Accumulated amortisation upto 31st March, 2019	**286**	**29**	**440**	**1,084**	**739**	**247**	**1,070**	**3,895**
Net Block as at 31st March, 2019	**494**	**57**	**2**	**2,415**	**359**	**-**	**99**	**3,426**
Net Block as at 31st March, 2018	271	-	2	2,897	469	-	61	3,700

6.1 Remaining useful life of intangible assets

Description	Carrying amount as at ₹ in Lakhs		Remaining useful life as at [months]	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Content	494	271	24 to 36	36
Technology Platform	57	-	24	-
Trade Mark	2	2	4 to 110	2 to 113
Licenses	2,415	2,897	60 to 72	72
Copy Right	359	469	35 to 98	47 to 110
Software	99	61	2 to 33	1 to 36
Total	**3,426**	**3,700**		

6.2 In one of the subsidiaries 'Indiannica Learning Private Limited', impairment test for Licenses has been carried out by the management based on the projections for next five years as approved by the Board. Remaining useful life of this License is greater than period for which projections are made. The net present value of the future earnings based on the projections is significantly higher than the carrying value of the license. Some of the assumptions based on

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which projections prepared are market estimates and management judgements which have been relied upon by the auditors.

6.3 "In one of the subsidiaries 'eSense Learning Private Limited', during the year, there has been revamp in syllabus of certain academic standards in Gujarat and Maharashtra state, new contents have been developed & capitalised as it meets the criteria of Ind AS 38 'Intangible Assets'. Also the Company has developed & capitalised technology platforms to support these contents and to support other products available for teachers and students in accordance with Ind AS 38. As at year end, certain contents and technology platforms are under development and hence cost incurred upto year end is grouped as intangible assets under development in note 7.

Impairment test for costs of contents and technology platform, capitalised or booked as under development, has been carried out by the management based on the projections as approved by the Chief Financial Officer. The net present value of the future earnings based on the projections is higher than the carrying value of the contents and technology platform. Some of the assumptions based on which projections are prepared based on market estimates and management judgements which have been relied upon by the auditors."

7 Intangible assets under development

(₹ in Lakhs)

Description of Assets	Content	Software	Technology Platform	Total
As at 1st April, 2017	-	-	-	-
Additions during the year 2017-18	**69**	**32**	**57**	**158**
Capitalised in intangible assets in year 2017-18	-	-	-	-
As at 31st March, 2018	**69**	**32**	**57**	**158**
Additions during the year 2018-19	244	23	41	308
Capitalised in intangible assets in year 2018-19	69	21	57	147
As at 31st March, 2019	**244**	**34**	**41**	**319**

8 Investments accounted for using the equity method

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unquoted investments		
Investment in equity instruments		
Associate Company		
K12 Techno Services Private Limited	759	759
(5,627 (Previous Year 5,627) Equity Shares of ₹10/- each)		
Investment in Compulsorily Convertible Preference Shares Preference Shares		
Associate Company		
K12 Techno Services Private Limited	8,400	6,970
(5,789 (Previous Year 5,789) Compulsorily Convertible Preference Shares of ₹10/- each)		
(9,829 (Previous Year 9,829) Class A Compulsorily Convertible Preference Shares of ₹10/- each)		
(3,966 (Previous Year 3,966) Series A1 Compulsorily Convertible Cumulative Preference Shares of ₹10/- each)		
(27,93,100 (Previous Year 27,93,100) Series A2 Compulsorily Convertible Cumulative Preference Shares of ₹10/- each)		
(6,26,289 (Previous Year Nil) Series A3 Compulsorily Convertible Cumulative Preference Shares of ₹20/- each)		
Less: Cumulative share of loss	2,589	3,149
Add: Share of Other Comprehensive income	3	3
Total	**6,573**	**4,583**

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8.1 (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Aggregate amount of unquoted investments	6,573	4,583

8.2 Break-up of investment in K12 Techno Services Private Limited

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment in equity instruments and preference shares	8,412	6,982
Goodwill	747	747
Less: Cumulative share of loss	(2,589)	(3,149)
Add: Share of Other Comprehensive income	3	3
Total	**6,573**	**4,583**

9 Non Current Financial Assets - Trade receivables

(Unsecured, unless otherwise stated) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Considered good	23	-
Total	**23**	**-**

10 Non Current Financial Assets - Loans

(Unsecured, unless otherwise stated) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Considered good		
Security Deposits	256	223
Inter-corporate Deposits	-	21
Loans and Advances		
i) Loan to Employees	201	197
ii) Loan to Vendors	23	15
iii) Other Loans & Advances (Refer note 10.1)	1,603	1,628
Total	**2,083**	**2,084**

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Considered doubtful		
Corporate Deposits	107	85
Other Loans & Advances	22	16
Security Deposit	15	-
	144	**101**
Less: Allowances for doubtful advances	(144)	(101)
Total	**2,083**	**2,084**

10.1 The above amount includes ₹1,459 Lakhs (Previous year:₹1,459 Lakhs) from one party against which Holding Company has filed a legal case with Honourable High Court of Mumbai. As per the interim order, Holding Company possesses the property deed of an immoveable property for recovery of the due, which is adequate to cover loan amount. Holding Company expects the matter to be favourably settled in its favour.

11 Deferred Tax Assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Corresponding effect in Statement of Profit & Loss		
Property, plant and equipment	(667)	(708)
Provision for employee benefits	575	584
Hedging reserve (impact of forward contracts)	33	269
Provision for sales returns	324	299
Provision for doubtful debts	176	127
Provision for doubtful advances	84	38
Provision for bonus	88	35
Financial guarantee contracts	(96)	(81)
Others	17	17
	534	**580**
Corresponding effect in Other Comprehensive Income		

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(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Hedging reserve (impact of forward contracts)	(319)	(212)
Remeasurement of defined benefit plans	-	(51)
	(319)	**(263)**
Total	**215**	**317**
Opening balance	317	10
Tax (expense) recognised in profit or loss	259	45
Tax (expense) recognised in other comprehensive income	(328)	262
Tax (expense) recognised in general reserve	(33)	-
Closing balance	**215**	**317**

11.1 "Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of: (a) deductible temporary differences; (b) the carry forward of unused tax losses; and (c) the carry forward of unused tax credits (Refer note 46 for reconciliation between the provision of income tax of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes)."

12 Assets for Non current Tax (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advance Income Taxes (net of Provisions)	310	381
Total	**310**	**381**

13 Other Non Current Assets

(Unsecured, unless otherwise stated) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Considered Good		
Capital Advance	372	436
Advance to Suppliers	2	4
Prepaid Expenses	6	6
Other Income Receivable	1	1
Deposit with customers	1	1
Refund receivable from Government authorities	2,680	313
	3,062	**761**
Considered doubtful		
Capital Advance	59	7
Less: Allowances for doubtful advances	(59)	(7)
Total	**3,062**	**761**

13.1 Refund receivable from Government authorities includes GST refund, sales tax refund and other refunds receivable from Government.

14 Inventories

(valued at lower of cost or estimated net realisable value) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Materials	19,884	13,404
Raw Materials in transit	1,700	2,237
Work In Progress	2,164	1,760
Finished Goods	30,451	24,597
Stock in Trade (in respect of goods acquired for trading)	74	98
Stores, Spares & Consumables	854	718
Total	**55,127**	**42,814**

14.1 During the year, ₹1,131 Lakhs (Previoys Year: ₹731 Lakhs) was recognised as an expense for inventories.

14.2 In one of the subsidiaries, 'Indiannica Learning Private Limited', it includes goods held by third party amounting to ₹5 Lakhs (Previous Year: ₹15 Lakhs).

14.3 Inventories of Holding Company and one of the subsidiaries are subject to first charge to secure bank loan (Refer note 26.1 and note 26.3)

Notes on Consolidated Financial Statements

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15 Current Financial Assets - Trade receivables

(Unsecured, unless otherwise stated) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Considered good (Refer note 15.4)	29,236	31,810
Considered doubtful	620	454
	29,856	**32,264**
Less: Allowance for bad and doubtful debts and credit losses (Refer note 49)	(620)	(454)
Total	**29,236**	**31,810**

15.1 Trade receivables of holding company are subject to first charge to secure bank loan (Refer note 26.1)

15.2 Trade receivables are generally due between 30 to 120 days. The holding Company's term includes charging of interest for delayed payment beyond agreed credit days. However, the holding Company charges interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

15.3 Credit risk is managed at the operational segment level. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

15.4 As per Memorandum of Understanding with one of the party, a sum of ₹50 Lakhs (Previous year: ₹Nil) is secured by mortgage of immovable property with the holding Company.

16 Current Financial Assets - Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance with Scheduled Banks		
- In Current Account	518	460
- In EEFC Accounts	1,175	-
Cash on hand	43	43
Total	**1,737**	**503**

17 Current Financial Assets -Other bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earmarked balances with banks		
- In Unclaimed and unpaid dividend Account (Refer note 28 and 17.1)	296	176
Bank deposit (Refer note 17.2)	40	3
Other Bank Balances (Refer note 17.3)	1	2
Total	**337**	**181**

17.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2019.

17.2 Bank deposit includes interest accrued but not due amounting to ₹3 Lakhs (Previous year: ₹Nil) and this deposit is under lien for tender deposit given to a customer.

17.3 Other bank balances represent restricted deposits (along-with accrued interest thereon) under lien placed with sales tax authorities.

18 Current Financial Assets - Loans

(Unsecured, considered good) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Corporate Deposits	159	190
Loans and Advances (Refer note 18.1)		
i) Loans to Employees	194	158
ii) Loans to Vendors	11	9
iii) Other Loans & Advances	374	363
Tender and deposits	7	34
Total	**745**	**754**

18.1 The loans and advances given to various parties is for commercial purpose and same are repayable on demand.

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19 Current Financial Assets - Other financial assets

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Receivables for sale of property, plant and equipment	12	16
Bank deposits (Refer note 19.1)	-	36
Advances to Employee for expenses	46	47
Financial assets at fair value (forward and option contracts) (Refer note 28)	819	-
Other receivables (Deposit etc.)	5	-
Total	**882**	**99**

19.1 Bank deposit includes interest accrued but not due amounting to ₹Nil (Previous year: ₹1 Lakhs) and this deposit is under lien for tender deposit given to a customer.

20 Other current assets

(Unsecured, unless otherwise stated) (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
GST input credit (net)	2,383	2,931
Prepaid Expenses	516	244
Advance to Suppliers	1,018	1,597
Other advances	83	80
Extra Duty Deposit receivable (Refer note 20.1)	#	-
Export incentive receivable	526	337
SAD (custom) receivable	#	3
Prepaid gratuity (Refer Note No.52 (b))	74	-
Total	**4,600**	**5,192**

20.1 Extra duty deposit represents additional duty levied by custom department in respect of items where the final valuation is in the process of being determined by the special valuation bench of the custom department. The company is confident that the additional duty so levied would be refunded by the government upon final determination and there would not be any additional outflow on account of the same. (Also refer note 40(e)).

21 Equity Share Capital

Authorized:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹2/-each (₹2/- each)	24,82,97,500	4,966	24,82,97,500	4,966
6% Redeemable Non cumulative Preference Shares (RNCPS) of ₹10/- each	3,40,500	34	3,40,500	34
		5,000		**5,000**

Issued, Subscribed & Paid Up:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹2/- each (₹2/- each) fully paid up	22,88,70,500	4,577	23,35,58,000	4,671
Total		**4,577**		**4,671**

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for the year ended 31st March, 2019

21.1 Reconciliation of the number of Equity Shares outstanding

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Number of Shares at the beginning of the year	23,35,58,000	4,671	23,35,58,000	4,671
Add: Shares Issued	-	-	-	-
Less: Shares Cancelled / Buy Back	46,87,500	94	-	-
Number of Shares at the end of the year	22,88,70,500	4,577	23,35,58,000	4,671

Holding company had concluded buyback of 46,87,500 equity shares aggregating to 2.01% of the paid-up equity share capital of the holding company at a price of ₹160 per share on 16th October, 2018. The holding Company concluded the buyback procedures on 23rd October, 2018 and 46,87,500 equity shares were extinguished. The holding Company has utilised its general reserve for buyback of its shares. Further, capital redemption reserve of ₹94 Lakhs representing the nominal value of shares bought back has been created as an appropriation from general reserves in accordance with section 69 of the Companies Act, 2013, consequently, the paid up Equity Share Capital is reduced to ₹4,577 Lakhs. Transaction costs related to buyback are adjusted against general reserves (net of tax).

21.2 Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par face value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share and all rank pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the equity shares held by the shareholders.

21.3 Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

(Number of Shares)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Equity Shares of ₹2/- each fully paid up	46,87,500	-	46,57,000	-	-
Total	**46,87,500**	**-**	**46,57,000**	**-**	**-**

21.4 Equity Shareholders holding more than 5 % of the shares

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% held	No. of Shares	% held
Bipin Amarchand Gala and Gnanesh Dungarshi Gala - Trustee of Navneet Trust	9,09,19,090	39.73	9,25,65,009	39.63
HDFC Trustee Company Ltd - under its various schemes	1,93,72,917	8.46	1,98,03,805	8.48

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22 Other Equity

(₹ in Lakhs)

	Particulars	As at 31st March, 2019	As at 31st March, 2018
A.	**Reserve and Surplus**		
(i)	Capital Redemption Reserve	221	127
(ii)	Capital Reserve	76	76
(iii)	General Reserve	2,155	9,716
(iv)	Retained earnings	72,131	61,072
		74,583	**70,991**
B.	**Other comprehensive income**		
(v)	Re-measurement of the net defined benefit plan	(473)	(420)
(vi)	Foreign currency reserve on conversion of foreign subsidiary	(2)	(2)
(vii)	Cash flow hedge through other comprehensive income	405	(68)
		(70)	**(490)**
	Total	**74,513**	**70,501**

Movement and description of above reserves:

(i) Capital Redemption Reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	127	127
Amount transferred to capital redemption reserve upon buyback (Refer note 21.1)	94	-
Balance at the end of the year	**221**	**127**

Note: The Group has recognised capital redemption reserve on buyback of equity shares from its general reserve. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back. This reserve will be utilised in accordance with section 69 of the Companies Act, 2013.

(ii) Capital Reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	76	76
Changes during the year	-	-
Balance at the end of the year	**76**	**76**

Note: The Group has created capital reserve pursuant to past mergers and acquisitions.

(iii) General Reserve

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	9,716	9,716
Amount utilized for buy back of shares	(7,406)	-
Amount transferred to capital redemption reserve upon buyback (Refer note 21.1)	(94)	-
Buy-back expenses (net of taxes)(Refer note 21.1)	(61)	-
Balance at the end of the year	**2,155**	**9,716**

Note: The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes.

(iv) Retained earnings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	61,072	55,284
Amount utilized for Dividend and Dividend Distribution Tax	(4,223)	(7,028)
Reversal of Ind AS transition adjustment	-	80
Interest accrued on CCD (classified under equity)	#	#
Net profit for the year	15,282	12,736
Balance at the end of the year	**72,131**	**61,072**

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Note: The amount that can be distributed by the Group as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Group and in compliance with the requirements of the Companies Act, 2013

(v) Re-measurement of the net defined benefit plan

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	(420)	(335)
Addition during the year (net of taxes)	(53)	(85)
Balance at the end of the year	**(473)**	**(420)**

Note: Gain/(Loss) arising out of change in actuarial assumption at the time of actuarial valuation is transferred to this reserve through other comprehensive income.

(vi) Foreign currency reserve on conversion of foreign subsidiary

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	(2)	-
Addition during the year (net of taxes)	#	(2)
Balance at the end of the year	**(2)**	**(2)**

Note: It represents exchange difference arising on translation of the foreign operations that are recognised in other comprehensive income and accumulated in separate reserve within equity. The cumulative amount is reclassified to profit and loss when the investment is disposed-off.

(vii) Cash flow hedge through other comprehensive income

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	(68)	(158)
Addition during the year (net of taxes)	473	(68)
Deduction / reversal during the year	-	158
Balance at the end of the year	**405**	**(68)**

Note: The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

23 Non-current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(Secured)		
Vehicle loan from NBFC	44	-
Total	**44**	**-**

23.1 In respect of one of the subsidiaries 'Indiannica Learning Private Limited', vehicle loan (Secured) amounting to ₹55 Lakhs was taken during the financial year 2018-19 and carries interest @ 10.7044%. The loan is repayable in 48 monthly instalments of ₹1 Lakhs each including interest. Number of instalments remaining as at 31st March, 2019 is ₹38 Lakhs (31st March, 2018: NIL). This loan is secured against hypothecation charge created on vehicle and one month instalment in advance which is grouped under Security deposits in 'Non-current financial assets-Loans'.

24 Non current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefit		
-Gratuity (Refer Note No.52 (b) (i))	81	80
-Compensated absences (Refer Note No.52 (b) (ii))	1,716	1,584
Total	**1,797**	**1,664**

25 Other Non current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred revenue	1	1
Total	**1**	**1**

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26 Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Secured (Refer note 26.1)		
i) Cash Credit from Bank	4,180	7,877
ii) Working Capital Rupee Loans repayable on demand from banks (Refer note 26.2)	300	6,254
iii) Bank Overdraft (Refer note 26.3 and 26.4)	2,718	1,852
	7,198	**15,983**
b) Unsecured		
From Banks:		
i) Rupee Loan (Refer note 26.5)	6,501	8,400
ii) Commercial Paper (Refer note 26.6)	20,000	-
	26,501	**8,400**
Total	**33,699**	**24,383**

26.1 Secured current borrowings of holding Company are secured against hypothecation & first charge over stock of raw materials, work-in-progress, finished goods, stores & spares not relating to plant and machinery & book debts and also mortgage & first charge over office premises 1A, 1B, 2A & 2B at Benefice Business House located at Lower Parel, Mumbai.

26.2 Secured working capital loan includes interest accrued but not due ₹Nil (Previous year: ₹4 Lakhs).

26.3 Bank Overdraft is in respect to one of the subsidiaries 'Indiannica Learning Private Limited' and is secured against Pari Passu charge on current assets & fixed assets (both present and future) of the subsidiary Company, along with Corporate Guarantee for ₹300 Lakhs (Previous Year: ₹300 Lakhs) from holding company.

26.4 The average rate of interest for the above mentioned overdraft facility during the year is 9.46% per annum (Previous year 8.50% per annum).

26.5 Unsecured working capital demand loan includes interest accrued but not due amounting to ₹1 Lakhs (Previous year: ₹Nil). Interest rate for unsecured rupee loan is ranging from 8.10% to 8.25%. Subsequent to year end, this loan has been repaid upto 8th April, 2019.

26.6 Commercial papers (unsecured) amounting to ₹20,000 Lakhs were issued during the financial year 2018-19 by holding Company and carry interest @ 7.90%. The repayment of the same is due ranging from 23rd May, 2019 to 27th May, 2019 for commercial papers.

27 Current Financial Liabilities - Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
- Due to Micro, Small and Medium Enterprises	1,296	757
- Due to Others	7,095	6,598
Total	**8,391**	**7,355**

27.1 Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 0 to 90 days.

27.2 The Group has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

28 Other current financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Creditors for capital goods	1,159	78
Employee Benefits Payable	1,470	1,269
Unclaimed and unpaid dividend (Refer Note 17 and 28.1)	296	176
Provision for expenses	393	315
Creditors for expenses	305	471
Financial liabilities at fair value (forward and options contracts) (Refer note 19)	-	162
Security deposits	314	266
Total	**3,937**	**2,737**

28.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2019.

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29 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances received from customers	474	292
Advance received against right to use hardware	#	5
Deferred revenue (Refer Note 32.6)	45	158
Statutory Dues		
- Provident Fund / ESIC / Profession Tax	159	141
- Tax Deducted At Source	323	305
- Sales tax / VAT / GST payable	145	52
Total	**1,146**	**953**

30 Current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		
- Gratuity (Refer Note 52 (b) (i))	17	14
- Compensated absences (Refer Note No.52 (b) (ii))	221	189
Other Provision		
- Sales return (Refer note 45(a))	2,641	2,066
- Discounts (Refer note 45(b))	413	256
- Performance bonus (Refer note 45(c))	316	127
- Lease escalation	#	#
Total	**3,608**	**2,652**

31 Liabilities for Current Tax (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provisions for tax (net of advance tax)	-	395
Total	**-**	**395**

32 Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of products		
- Finished Goods (Refer note 32.1)	1,38,556	1,16,611
- Traded Goods	108	654
Sale of services	2,068	543
Other operating revenues		
- Sale of scrap and waste	1,608	1,155
- Power generation income	111	97
- Others (Royalty, Miscellaneous, etc.)	2,050	1,338
Total	**1,44,501**	**1,20,398**

32.1 Provision for Sales Returns:

The above amount is net of provision made for sales return amounting to ₹2,641 Lakhs (Previous year: ₹2,066 Lakhs). Also refer note 45 (a) and note 30.

32.2 Disclosures of Ind AS 115:

(a) Effective from 1st April, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 Revenue from contracts with customers replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Adoption of new standard does not have any impact on revenue recognition for current year as well as earlier years. Refer note 2(j) of Significant accounting policies for Revenue recognition.

(i) The Group's operations relates to publication of knowledge based information in educational and general books form as well as electronic media and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market.

The Group applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue. Refer note 2(j) of significant accounting policies.

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(ii) For details of revenue recognised from contracts with customers, refer note 32 above.

(iii) There are no contract assets arising from the Group's contract with customers.

(b) Disaggregation of revenue

(i) For disaggregation of revenue, refer break-up given in note 32 above and note 54(B).

(ii) Refer note 54(A)(4) for details regarding customer concentration that represents 10% or more of the Group's total revenue during the year ended 31st March, 2019 and 31st March, 2018.

(c) Performance obligation

(i) For timing of satisfaction of its performance obligations, refer note 2(j) of significant accounting policies of the Group.

(ii) Unsatisfied (or partially satisfied) performance obligations are due to unexpired contract period in cases where the contract for subscription of digital content and royalty right to use license and contract for sale education content is in the nature of right to excess. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹46 Lakhs out of which 77% is expected to be recognised as revenue in the next year and the balance thereafter.

32.3 Change in revenue model:

Effective from 1st April, 2018, one of the subsidiaries 'Esense Learning Private Limited' has shifted major portion of its revenue model from content sale though CD/DVD etc. to providing content service though desktop/laptop application or through on-line cloud.

Accordingly, in the current year sale of products includes only hardware sales, as compared to hardware sales and sales of content through CD/DVD etc. in previous year. Considering the change in business model the figures of sales of products and sale of services are strictly not comparable.

32.4 Revenue from operations for the periods upto 30th June, 2017 includes excise duty, which is discontinued effective 1st July, 2017 upon implementation of Goods and Service Tax (GST) in India. GST is not included in revenue from operations w.e.f. 1st July, 2017. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended 31st March, 2019 are not comparable with previous periods.

For the purpose of comparability, revenue from operations including excise duty and excluding excise duty are given below:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue from operations (including excise duty)	1,44,501	1,20,398
Less: Excise duty	-	118
Revenue from operations (excluding excise duty)	1,44,501	1,20,280

32.5 Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Contracted price	1,50,246	1,25,132
Less: Reductions towards variable consideration components	5,745	4,734
Revenue recognised	**1,44,501**	**1,20,398**

The reduction towards variable consideration comprises of volume discounts, sales promotion, provision for sales return etc.

32.6 Changes in deferred revenue are as follows (Refer note 25 and 29):

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Balance at the beginning of the year	**159**	**349**
Deferred during the year	84	72

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(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue recognised that was included in the deferred revenue at the beginning of the year	(197)	(262)
Balance at the end of the year	**46**	**159**

32.7 The Group receives government assistance in the form of MEIS license and duty drawback, which are issued to eligible importer. Above revenue includes MEIS and duty drawback income of ₹1,614 Lakhs (Previous year: ₹1,042 Lakhs). Out of the revenue recognised, ₹395 will be received from government upon receipt of balance amount from customer and fulfilment of other procedural formalities.

33 Other Income

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest income on financial asset (at amortised cost)	487	202
Income from current investments carried at fair value through profit and loss		
Dividend income from mutual funds	-	42
Profit on sale of investments	22	116
Other income		
Gain on fair valuation of financial assets (net)	15	11
Unwinding of discount on financial instruments	-	4
Other non-operating income (Rent income, etc.)	555	554
Gain on foreign exchange transactions (net) (Refer Note 33.1)	613	1,671
Total	**1,692**	**2,600**

33.1 Gain on foreign exchange transaction includes ₹753 Lakhs (Previous year: ₹512 Lakhs) of exchange gain (net) arising on financial instruments.

34 Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Raw Materials consumed	76,065	61,666
Total	**76,065**	**61,666**

35 Changes in inventories of finished goods, stock-in -trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Closing Stock		
-Work In Process	2,164	1,760
-Finished Goods	30,451	24,597
-Stock in Trade	74	98
	32,689	**26,455**
Opening Stock		
-Work In Process	1,760	1,639
-Finished Goods	24,597	20,959
-Stock in Trade	98	57
	26,455	**22,655**
Total	**(6,234)**	**(3,800)**

36 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salaries, Wages & Bonus	15,291	13,042
Contribution to PF, ESIC and LWF (Refer note 52 (a))	770	675
Contribution to Other Funds	380	346
Staff Welfare Expenses	684	618
Total	**17,125**	**14,681**

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37 Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest expenses	1,532	773
Total	**1,532**	**773**

38 Depreciation and amortization expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation of property, plant and equipment (Refer note 3)	2,391	2,317
Depreciation of investment property (Refer note 5)	8	9
Amortisation of intangible assets (Refer note 6)	870	738
Total	**3,270**	**3,064**

39 Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Royalty	3,692	3,260
Transportation Expenses	3,096	2,753
Insurance	214	167
Rent	1,396	1,457
Freight & Octroi	1,074	960
Advertisement	1,167	772
Power & Fuel	422	299
Printing Expenses	1,418	1,193
Binding Expenses	2,932	2,086
Other Manufacturing Expenses	2,715	2,460
Excise Duty on Sale of goods (upto 30th June 2017)	-	118
Stores & Spares Consumed	682	492
Repairs to:		
a) Plant & Machinery	372	248
b) Buildings	505	395
c) Other repairs	392	351
Auditor's remuneration	44	30
Legal and Professional Fees	1,372	846
Rates & Taxes	92	172
Sales Tax (upto 30th June 2017) / GST Expenses (Refer note 39.1)	317	144
Commission	715	420
Marketing Expenses	1,335	1,118
Sales Promotion Expenses	633	716
Bad debts and other irrecoverable advance written off	97	295
Allowance for Expected credit loss & bad and doubtful debts	166	257
Corporate Social Responsibility Expenses	777	436
Donation	1	218
Bank Charges	149	97
Staff recruitment expenses	117	30
Other Expenses (Refer note 39.2)	4,199	3,197
Total	**30,091**	**24,987**

39.1 Expense wise breakup in respect of input credit reversals are not readily available, and hence such reversal are grouped as GST expenses.

39.2 Other expenses do not include any item of expenditure which is exceeding one percent of the revenue from operations or ₹10 Lakhs, whichever is higher, in addition to the consideration of 'materiality'.

40 Contingent liabilities:

(a) Tax matters:

i) For disputed Income tax matters ₹526 Lakhs and (Previous year: ₹524 Lakhs) against which amount provided in books is ₹521 Lakhs (Previous year:

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₹521 Lakhs) and amount paid under protest is ₹484 Lakhs (Previous year: ₹482 Lakhs) (Refer below note).

Income tax demands mainly include the appeals filed by the holding Company before various Departmental appellate authorities / High Courts against the disallowances made by income tax authorities of certain deductions / expenses claimed. Pending final decisions, the Company has deposited amounts under protest with Income Tax Authorities.

ii) For disputed Sales tax matters ₹5,205 Lakhs (Previous year: ₹4,708 Lakhs) against which amount paid under protest ₹309 Lakhs (Previous year: ₹282 Lakhs). (Refer below note)

Sales Tax demands have been mainly raised on account of dispute on rate of certain products, non submission of statutory declarations etc. Pending final decisions, the holding Company has deposited amounts under protest with Sales Tax Department.

iii) In one of the subsidiaries 'eSense Learning Private Limited', income tax department has made certain disallowances in return of income filed for Assessment Year 2012-13 to Assessment Year 2015-16 and reduced the losses claimed by the subsidiary Company aggregating to ₹358 Lakhs. These have been disputed and the matter is pending before ITAT / CIT (appeals). In the opinion of the management there would not any cash flow on account of the said pending matters.

Note: Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums / authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements.

(b) Against bond:

i) Duty free imports for which export obligation is pending as at year end amounting to ₹227 Lakhs (Previous year: ₹141 Lakhs). In the event holding company does not meet the respective obligation, GST would have to be paid for which input credit would be available.

(c) Bank Guarantee:

i) Bank Guarantee is given to electricity department (DNH Power Distribution Corporation Limited) for electricity deposit of ₹30 Lakhs (Previous year: ₹63 Lakhs).

ii) Financial Guarantees are issued by holding Company in favour of banks against loans taken by subsidiaries. The amount of guarantee is ₹4,650 Lakhs (Previous year: ₹4,650 Lakhs). The Guarantee given is covered under section 186(4) of the Companies Act, 2013, and is for commercial purpose only.

(d) In one of the subsidiaries 'Indiannica Learning Private Limited', the Company has given bank guarantee to Sales Tax department ₹2 Lakhs (Previous year: ₹2 Lakhs).

(e) Extra duty deposit represents additional duty levied by custom department in respect of items where the final valuation is in the process of being determined by the special valuation bench of the custom department. The company is confident that the additional duty so levied would be refunded by the government upon final determination and there would not be any additional outflow on account of the same. (Refer note 20.1)

41 Capital Commitments and Other Commitments

Estimated amount of contracts remaining to be executed (net of advances) on capital account is ₹1,907 Lakhs (Previous year: ₹803 Lakhs).

42 Operating Leases

(a) As lessor

The existing cancellable operating lease agreements permit the lessee to cancel the arrangement before expiry of the normal tenure of the lease. Hence no disclosures are required to be made.

(b) As lessee

The Group has taken various commercial premises under cancellable operating lease agreements. The total lease rentals recognized as an expense during the year under the above lease agreements aggregates to ₹1,396 Lakhs (Previous year: ₹1,457 Lakhs). There are no restrictions imposed by the lease agreements. There

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are no sub leases.

43 Derivative Financial instruments

The holding Company uses derivative financial instruments such as forwards and options, to hedge its risks associated with foreign exchange fluctuation. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted price for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

(a) The assets and liabilities position of various outstanding derivative financial instruments is given below:

Particulars	2018-19		2017-18	
	In USD	₹ In Lakhs	In USD	₹ In Lakhs
Hedge				
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge) - Assets	45,18,628	3,123	63,64,339	4,123
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Assets	4,18,46,372	28,920	3,89,75,661	25,657
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Liabilities	64,919	45	Nil	Nil
Total	**4,94,29,919**	**34,161**	**4,53,40,000**	**29,780**

Note: The Company has exchange rate movement risk for above mentioned foreign currency contracts.

(b) Outstanding position and fair value of various foreign exchange derivative financial instruments: (Refer note 19 and 28)

(₹ in Lakhs)

Particulars	Currency pair		Fair value Gain / (loss) Amount	
			2018-19	2017-18
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge)	USD_INR	Sell	94	(41)
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge)	USD_INR	Sell	653	(121)
	USD_INR	Buy	#	-
Foreign currency option contracts (with underlying firm commitments considered for cash value hedge)	USD_INR	Buy & Sell	72	-
Total Gain / (Loss)			**819**	**(162)**

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(c) Details of amount held in hedging reserve and the period over which these are going to be released

For the year ended as on 31st March 2019

(₹ in Lakhs)

Particulars	Closing value in hedging reserve Gain / (Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR (trade receivables)	653	653	Nil
USD_INR (trade payables)	#	#	Nil
Foreign currency option contracts (gross amount):			
USD_INR (trade payables)	72	72	Nil
Closing balance as at year end	**725**	**725**	**Nil**

For the year ended as on 31st March 2018

(₹ in Lakhs)

Particulars	Closing value in hedging reserve Gain / (Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR (trade receivables)	(121)	(121)	Nil
USD_INR (trade payables)	Nil	Nil	Nil
Closing balance as at year end	**(121)**	**(121)**	**Nil**

(d) Amount of loss recognised in hedging reserve and recycled:

i) During the financial year 2018-19:

(₹ in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L	Closing balance
Foreign currency forward contracts	(68)	(172)	692	452
Foreign currency option contracts	-	(47)	-	(47)
Total	**(68)**	**(219)**	**692**	**405**

ii) During the financial year 2017-18:

(₹ in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L	Closing balance
Foreign currency forward contracts	(158)	(367)	458	(68)
Total	**(158)**	**(367)**	**458**	**(68)**

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(e) Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

The amount of gain / (loss) recognised in Consolidated Statement of Profit and Loss on account of hedge ineffectiveness for cash flow hedges for the year ended 31st March, 2019 is ₹Nil (Previous year: ₹Nil).

44 Earnings Per Share :

Particulars	2018-19	2017-18
Net Profit available for Equity Shareholders as per consolidated statement of profit & loss (₹ in Lakhs)	15,283	12,736
Weighted average number of equity shares for basic and diluted EPS (in Numbers)	23,14,26,151	23,35,58,000
Basic and Diluted Earning per share (₹)	6.60	5.45
Face Value Per Equity Share (₹)	**2.00**	**2.00**

45 Disclosure of movement of provisions :

(a) Provision for sales return

(₹ in Lakhs)

Particulars	2018-19	2017-18
Opening balance of provision	2,066	1,350
Add: Addition during the year	2,641	984
Less: Utilized	2,066	268
Closing balance of provisions	**2,641**	**2,066**

Note: Provision has been recognized for expected return for sales made during the year. It is expected that the majority of returns will be in the subsequent financial year against which provision for sales returns would be utilised.

(b) Provision for Discounts

(₹ in Lakhs)

Particulars	2018-19	2017-18
Opening balance of provision	254	438
Add: Addition during the year	413	254
Less: Utilized/Written Back	254	438
Closing balance of provisions	**413**	**254**

Note: Provision has been recognized for expected discount to be provided to distributor on the basis of agreed terms and fulfilment of future obligation by distributor.

(c) Provision for performance bonus

(₹ in Lakhs)

Particulars	2018-19	2017-18
Opening balance of provision	127	381
Add: Addition during the year	231	71
Less: Utilized/Written Back	42	325
Closing balance of provisions	**316**	**127**

Note: Provision has been recognized based on performance evaluation of employees as per engagement terms and which are expected to be paid in the next year.

46 Income tax

A. Income tax expense in the consolidated statement of Profit and Loss consists of:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Current income tax:		
In respect of the current year	9,534	8,287
In respect of the prior years	(26)	11
Deferred tax		
In respect of the current year	(259)	(45)
Income tax expense recognized in the statement of profit or loss	**9,249**	**8,253**

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(₹ in Lakhs)

Particulars	2018-19	2017-18
Income tax recognized in other comprehensive income:		
Deferred tax arising on income and expense recognized in OCI		
a) Re-measurement of the net defined benefit plan	(43)	(50)
b) Financial Liabilities at Fair value (forward contracts)	373	(212)
Income tax expense recognized in other comprehensive income	**329**	**(262)**

B. The reconciliation between the provision of income tax of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

(₹ in Lakhs)

Particulars	2018-19	2017-18
Profit before tax	23,970	21,003
Enacted income tax rate in India	34.94%	34.61%
Computed expected tax expense	8,376	7,269
Effect of:		
Impact of changes on account of permanent disallowances	422	27
Impact of Chapter VI-A deductions	(370)	105
Adjustment to current tax for prior years	(26)	11
Impact of changes on account of deferred tax	(259)	(45)
Tax losses for which no deferred income tax was recognised (refer note below)	113	213
Impact of tax rate change	-	2
Impact of buy back expense (tax)	(33)	-
Others	1,026	671
Income tax expense recognized in the statement of profit and loss	**9,249**	**8,253**

Note: The applicable Indian corporate income tax rate for the year ended 31st March, 2019 and 31st March, 2018 is 34.94% and 34.61%, respectively. The increase in the corporate income tax rate to 34.94% is due to the replacement of "Education Cess" and "Secondary and Higher Education Cess" by a new cess named "Health and Education Cess" at the rate of 4% on income-tax and surcharge.

C. Unabsorbed depreciation and carried forward losses:

In respect to two subsidiaries 'Esense Learning Private Limited' and 'Indiannica Learning Private Limited', deferred tax asset arising mainly on account of unabsorbed depreciation and carried forward losses under tax laws which has not been considered as it is not reasonably certain that future taxable profits will be available against which the deductible temporary difference can be utilised. Accordingly such deferred tax asset has not been recognised in the accounts of the subsidiaries.

In respect to both subsidiaries having carry forward depreciation losses as at 31st March, 2019 of ₹3,722 Lakhs (Previous year: ₹3,189 Lakhs) which doesn't have any expiry date and carry forward business losses as on 31st March, 2019 is ₹5,148 Lakhs (Previous year: ₹3,493 Lakhs) which will be expired in next 1 to 8 years (Previous year: 1 to 6 years). Considering losses incurred during last two years, these assets are not recognised in financial statements.

D. In respect to two subsidiaries 'Esense Learning Private Limited' and 'Indiannica Learning Private Limited', no provision for tax has been made, as both the subsidiary Companies have incurred tax loss during the year and there are brought forward losses under income tax. As stated above, the subsidiary Companies have recognised deferred tax assets to the extent of deferred tax liability.

47 The Board of directors of holding Company has recommended final dividend of ₹1 per share on face value of ₹2/- each for the Financial year 2018-19 on board meeting held on 15th May, 2019, subject to approval of shareholders in ensuing Annual General Meeting. Dividend Distribution Tax of ₹1,144 Lakhs consequences of dividends to shareholders of the entity that were recommended before the financial statements were approved for issue, but are not recognised as a liability in the financial statements.

48 Fair value of financial assets and liabilities

The management assessed that the fair values of

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financial asset and financial liabilities approximate their carrying amounts.

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

(a) Fair values of cash and cash equivalents, trade receivables, interest accrued on deposits with bank, bank deposits, trade payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) The management has considered fair value of security deposits, loan from bank, loan from related party, equal to their carrying value as fair values based on the current market interest rates and other risk factors approximate to carrying value.

Fair value hierarchy

The following table presents the financial assets and financial liabilities by level with the fair value measurement hierarchy:

(₹ in Lakhs)

		31st March, 2019		31st March, 2018	
		Level of input used in*	Carrying Amount	Level of input used in	Carrying Amount
a)	**Financial assets**				
	At Amortised Cost				
	Trade receivables	NA	29,236	NA	31,810
	Bank deposits	NA	1	NA	2
	Loans	NA	745	NA	754
	Other financial assets	NA	882	NA	99
	At Fair Value Through P&L				
	Security deposits	Level 2	1	Level 2	1
	Financial assets at fair value (forward and option contracts)	Level 2	819	Level 2	-
b)	**Financial liabilities**				
	At Amortised Cost				
	Cash Credit	NA	4,180	NA	7,877
	Trade payables	NA	8,390	NA	7,355
	Working capital loan	NA	6,801	NA	14,654
	Commercial paper	NA	20,000	NA	-
	Other financial liability	NA	3,937	NA	2,737
	At Fair Value Through P&L				
	Financial liabilities at fair value (forward and option contracts)	Level 2	-	Level 2	162

* There has been no transfer between level 1 and level 2 during the year ended 31st March, 2019 and 31st March, 2018. Level is NA for items valued at amortised cost.

49 Financial Risk Management

The Group is exposed to market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk primarily include trade receivables, trade payables, cash and cash equivalents.

The sensitivity analysis in the following sections relate to the position for the periods presented. The sensitivity analysis has been prepared on the basis that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity obligation and provisions. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held at the periods presented.

Interest rate risk

The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in Int. Rate	Effect on profit before tax [increase / (decrease)]
31st March, 2019	Increase by 50 basis points (50 bps)	155
	Decrease by 50 basis points (50 bps)	(155)
31st March, 2018	Increase by 50 basis points (50 bps)	113
	Decrease by 50 basis points (50 bps)	(113)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to trade payables, trade receivables.

The following table analyses the foreign currency risk from monetary assets and liabilities as at balance sheet date:

Particulars / Foreign currency	2018-19		2017-18	
	Amount in foreign currency	₹ in Lakhs	Amount in foreign currency	₹ in Lakhs
Trade receivables				
GBP	-	-	20,480	18
Advances from customers				
USD	3,37,081	230	1,19,897	78
Advances for expenses to employees				
EUR	6,300	5	-	-
USD	9,020	6	-	-
AED	4,900	1	-	-
Payables				
AED	-	-	1,472	#
EUR	644	#	3,903	3
GBP	4,713	4	1,710	2
HKD	70,290	6	1,04,786	9
USD	25,143	17	53,902	35
Advances to vendors (including advances for capital expenditures)				
USD	77,573	54	81,531	53
CNY	4,45,004	46	8,26,122	85
EUR	81,524	67	41,764	34
GBP	65,841	58	75,304	66
JPY	-	-	15,20,000	9
Balances with banks				

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for the year ended 31st March, 2019

Particulars / Foreign currency	2018-19		2017-18	
	Amount in foreign currency	₹ in Lakhs	Amount in foreign currency	₹ in Lakhs
USD	17,00,671	1,175	-	-

Note: - Open purchase / sales orders are not considered for above purpose.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in USD rate	Effect on profit before tax
31st March, 2019	Increase by 500 basis points (500 bps)	36
	Decrease by 500 basis points (500 bps)	(36)
31st March, 2018	Increase by 500 basis points (500 bps)	(2)
	Decrease by 500 basis points (500 bps)	2

Price risk

The Group is not exposed to any significant price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for trade receivables and deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed based on the Group's established policy, procedures and control relating to customer credit risk management. The Group evaluates the concentration of risk with respect to trade receivables as low. There are no customers who represent more than 10% of the balance of trade receivables. Outstanding customer receivables are regularly monitored by the management.

An impairment analysis is performed at each reporting date on an individual basis for major customers.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security expect as mention in note 15.4

The ageing of trade receivable and credit loss allowance is as under:

(₹ in Lakhs)

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
As at 31st March, 2019			
Secured	-	-	-
Unsecured	27,810	2,069	29,879
Total receivables	**27,810**	**2,069**	**29,879**
Allowance for doubtful receivables			620

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
Net Receivables	**27,810**	**2,069**	**29,259**
Expected loss rate *			**2.07%**
As at 31st March 2018			
Secured	-	-	-
Unsecured	30,685	1,579	32,264
Total receivables	**30,685**	**1,579**	**32,264**
Allowance for doubtful receivables			454
Net Receivables	**30,685**	**1,579**	**31,810**
Expected loss rate *			**1.41%**

* Expected loss rate includes both allowance made based on age of the receivable and expected loss based on historical experience.

Movement in credit loss allowance

(₹ in Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Balance at the beginning	454	201
Additional provision	180	257
Amounts written off	14	4
Balance at the end	**620**	**454**

Deposits with banks and other financial assets

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum level of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position & deploys a robust cash management system.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2019				
Non-derivative				
Indian rupee loan	6,501	-	-	6,501
Commercial paper	20,000	-	-	20,000
Working capital loan	300	-	-	300
Bank overdraft	2,718	-	-	2,718
Cash credit facility	4,180	-	-	4,180

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	8,390	-	-	8,390
Vehicle loan	-	44	-	44
Other financial liability	3,937	-	-	3,937
Derivative				
Financial liabilities at fair value (forward contracts)	-	-	-	-
Year ended 31st March, 2018				
Non-derivative				
Indian rupee loan	8,400	-	-	8,400
Working capital loan	6,254	-	-	6,254
Bank overdraft	1,852	-	-	1,852
Cash credit facility	7,877	-	-	7,877
Trade payables	7,355	-	-	7,355
Other financial liability	2,575	-	-	2,575
Derivative				
Financial liabilities at fair value (forward contracts)	162	-	-	162

The table below summarises the maturity profile of the Group's financial assets based on contractual undiscounted receipts.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2019				
Non-derivative				
Non-current financial assets				
Loans	-	2,083	-	2,083
Trade receivables	-	23	-	23
Current financial assets				
Trade receivables	29,236	-	-	29,236
Loans	586	-	-	586
Corporate deposit	159	-	-	159
Other current financial assets	63	-	-	63
Derivative				
Current financial assets				
Financial assets at fair value (forward contracts and option contract)	819	-	-	819
Year ended 31st March, 2018				
Non-derivative				
Non-current financial assets				
Loans	-	2,084	-	2,084
Trade receivables	-	-	-	-
Current financial assets				
Trade receivables	31,810			31,810
Loans	564	-	-	564

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for the year ended 31st March, 2019

Particulars	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
Corporate deposit	190	-	-	190
Other current financial assets	99	-	-	99
Derivative				
Current financial assets				
Financial assets at fair value (forward contracts and option contract)	-	-	-	-

Note: The Group is not exposed to significant liquidity risk.

50 Capital management

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

The Group manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, Loan obligation, trade and other payables and less cash and cash equivalents.

(₹ in Lakhs)

Particulars	**Year ended 31st March, 2019**	**Year ended 31st March, 2018**
Indian rupee loan	6,501	8,400
Working capital loan	300	6,254
Vehicle loan	44	-
Bank overdraft	2718	1,852
Cash credit facility	4,180	7,877
Trade payables	8,390	7,355
Commercial paper	20,000	-
Less: cash and cash equivalent	(1,737)	(503)
Net Debt	**40,396**	**31,235**
Equity	79,132	75,215
Capital and Net debt	**1,19,528**	**1,06,450**
Gearing Ratio	**33.80%**	**29.34%**

51 Statement of Cash Flows notes

51.1 Changes in financing liabilities arising from cash and non-cash changes:

(₹ in Lakhs)

Particulars	**As at 31st March, 2019**	**Cash flows**	**Non-cash changes**	**As at 31st March, 2018**
Working capital loan	300	(5,954)	-	6,254
Indian rupee loan	6,501	(1,899)	-	8,400
Vehicle loan	44	44	-	-
Commercial paper	20,000	20,000	-	-
Total	**26,845**	**12,191**	**-**	**14,654**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

51.2 Net cash inflow from operating activity netted off with expenditure on Corporate Social Responsibility (CSR) expenditure of ₹777 Lakhs (Previous year: ₹436 Lakhs).

52 Employee benefits:

(a) The Group has recognized the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

(₹ in Lakhs)

Particulars	2018-19	2017-18
Provident Fund	681	592
Employee State Insurance Corporation	88	82
Labour Welfare Fund	1	1
Total	**770**	**675**

(b) Defined benefit plan and long term employment benefits:

These plans typically expose the Group to actuarial risks such as: Investment, Interest rate, longevity and salary increase risk:

I. Investment / Interest risk: The Group is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit. Since the scheme is unfunded in case of compensated absence and in case of gratuity (in one subsidiary Company), the Company is not exposed to Investment / Interest risk.

II. Longevity Risk: The Group is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

III. Risk of Salary Increase: The Group is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

(i) Defined benefit plan and long term employment benefits: Gratuity (Defined benefit plan):

The holding Company and subsidiaries, where gratuity liability is funded, makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India's funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Group has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of gratuity plan:

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Change in Obligation				
Opening Present Value of Accrued Gratuity	3,227	2,827	77	64
Current Service Cost	255	222	27	17

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Past Service Cost (vested benefits)*	-	-	-	#
Actuarial (Gain)/ Loss on Obligation	108	142	(22)	(4)
Interest Cost	248	205	5	4
Less :Benefits paid	(31)	(169)	(3)	(4)
Closing Present Value of Accrued Gratuity	**3,807**	**3,227**	**84**	**77**

* Due to increase in gratuity limit from ₹ 10 Lakhs to ₹ 20 Lakhs

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Change in Plan Asset				
Opening Fund Balance	3,210	2,759	-	-
Interest Income	261	207	-	-
Adjustment to Opening balance	(6)	-	-	-
Return on the plan asset	(4)	7	-	-
Contributions	437	406	3	4
Less :Benefits paid	(31)	(169)	(3)	(4)
Closing Fund Balance	**3,867**	**3,210**	**-**	**-**

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Reconciliation of present value of obligation and the plan asset				
Closing Fund Balance	3,867	3,210	-	-
Closing present value of Accrued Gratuity	3,807	3,227	84	77
Net Liability	**(60)**	**17**	**84**	**77**

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Asset recognised in balance sheet	(74)	-	-	-
Liability recognized in balance sheet	14	17	84	77
Net Liability	**(60)**	**17**	**84**	**77**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Expenses recognized in the Statement of Profit & Loss				
Current Service Cost	255	222	27	17
Interest Cost	248	205	5	4
Past Service Cost (vested benefits)	-	-	-	#
Curtailment effect	-	-	-	-
Settlement effect	-	-	-	-
Expected Return on Plan Assets	(261)	(207)	(22)	(4)
Less: Capitalised to contents / technology platform	-	-	(1)	(1)
Expenses recognized in the Statement of Profit & Loss	**242**	**220**	**9**	**16**

Expenses recognized in the other comprehensive income				
Net Actual (Gain) / Loss recognized	108	142	(22)	(4)
Return on the plan asset	4	(7)	-	-
Expenses recognized in the other comprehensive income	**112**	**135**	**(22)**	**(4)**

Movement in the Liability recognized in Balance Sheet				
Opening Net Liability	17	68	77	64
Adjustment to Opening balance	6	-	-	-
Expenses recognised in the Statement of Profit & Loss	242	220	31	20
Capitalised to contents / technology platform	-	-	1	1
Contribution paid	(437)	(406)	(3)	(4)

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	**Gratuity (Funded)**		**Gratuity (Non Funded) (Refer note below)**	
	31st March, 2019	**31st March, 2018**	**31st March, 2019**	**31st March, 2018**
Expenses recognized in the other comprehensive income	112	135	(22)	(4)
Closing Net Liability	**(60)**	**17**	**84**	**77**
Experience adjustment:				
Experience adjustment on plan liability	-	-	-	-
Experience adjustment on plan asset	11	#	-	-
Net experience adjustment	**11**	**#**	**-**	**-**

Sensitivity analysis:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

(₹ in Lakhs)

Defined benefit obligation	**Discount rate**	**Salary escalation rate**
Effect on defined benefit obligation due to increase by 100 basis point	3,462	4,124
Effect on defined benefit obligation due to decrease by 100 basis point	4,140	3,471

Assumptions

Expected return on plan assets	Ranging from 7.32% to 7.66%	Ranging from 7.30% to 7.80%
Salary escalation rate	Ranging from 6.00% to 9.00%	Ranging from 8.00% to 9.00%
Discounting rate	Ranging from 7.32% to 7.66%	Ranging from 7.30% to 7.80%
Employee attrition rate (other than one subsidiary Company)	0.80% to 8% for all ages	0.80% to 8% for all ages
Employee attrition rate (in case of one subsidiary Company):		
Ages: up to 30 years	20.00%	20.00%
From 31 to 44 years	15.00%	15.00%
Above 44 years	10.00%	10.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Composition of plan assets	100% with Life Insurance Corporation (LIC)	100% with Life Insurance Corporation (LIC)

Note : Gratuity (Non-funded) amounts are pertaining to one subsidiary 'eSense Learning Private Limited'.

The Company expects to contribute ₹ 450 Lakhs to the gratuity scheme during the next financial year.

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for the year ended 31st March, 2019

Expected maturity analysis of defined benefit obligation (₹ in Lakhs)

Period	2018-19	2017-18
With in 1 year	556	423
From 1 year to 2 years	156	136
From 2 years to 3 years	437	262
From 3 years to 4 years	223	388
From 4 years to 5 years	220	244
From 5 years to 10 years	1,475	1,737

(ii) Defined benefit plan and long term employment benefits: compensated absences

In respect of Compensated absences benefit, accrual is made on the basis of a year-end actuarial valuation in pursuance of the Group's leave rules.

The Group has provided for leave benefits based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of leave encashment plan: (₹ in Lakhs)

Particulars	Compensated absences (Non Funded)	
	31st March, 2019	31st March, 2018
Change in Obligation		
Opening Present Value of Accrued Gratuity	1,774	1,558
Addition due to subsidiary	-	-
Service Cost	714	630
Actuarial (Gain)/ Loss on Obligation	(603)	(395)
Interest Cost	134	112
Less :Benefits paid	(82)	(131)
Closing Present Value of Accrued Gratuity	**1,937**	**1,774**
Change in Plan Asset		
Opening Fund Balance	-	-
Addition due to subsidiary	-	-
Interest Income	-	-
Return on the plan asset	-	-
Contribution	82	131
Less :Benefits paid	(82)	(131)
Closing Fund Balance	**-**	**-**
Reconciliation of present value of obligation and the plan asset		
Closing Fund Balance	-	-
Closing present value of Accrued Gratuity	1,937	1,774
Net Liability recognized in balance sheet	**1,937**	**1,774**

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(₹ in Lakhs)

Particulars	Compensated absences (Non Funded)	
	31st March, 2019	31st March, 2018
Expenses recognized in the Statement of Profit & Loss		
Current Service Cost	714	630
Interest Cost	133	112
Expected Return on Plan Assets	-	-
Net Actual (Gain) / Loss recognized	(603)	(395)
	245	**347**
Less: Capitalised to contents / technology platform	(4)	(3)
Encashment other than full & final settlement	14	9
Expense recognized in the statement of P&L	**255**	**353**

Movement in the Liability recognized in Balance Sheet		
Opening Net Liability	1,774	1,558
Addition due to subsidiary	-	-
Expenses as above	245	347
Contribution paid	(82)	(131)
Closing Net Liability	**1,937**	**1,774**

Sensitivity analysis:

(₹ in Lakhs)

Defined benefit obligation	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	1,653	2,061
Effect on defined benefit obligation due to decrease by 100 basis point	2,065	1,653

Assumptions

Salary escalation rate	Ranging from 6.00% to 9.00%	Ranging from 8.00% to 9.00%
Discounting rate	Ranging from 7.32% to 7.64%	Ranging from 7.30% to 7.67%
Employee attrition rate	0.80% to 8% for all ages	0.80% to 8% for all ages
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Composition of plan assets	Not funded	Not funded

53 Related Party Transactions

A. List of related parties with whom transactions have taken place and relationships:

(i)	Associate	
	K-12 Techno Services Private Limited	
(ii)	Enterprises owned or significantly influenced by key management personnel or their relatives	
	Navneet Prakashan Kendra	The Flagship Advertising Private Limited
	Vikas Prakashan	Navneet Foundation
	Gala Publishers	Blacksoil Capital Private Limited
	Sandeep Agency	Anushka Builders

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	Gala Comp	Schoolwear Private Limited (upto 13th March, 2018)
	Sai Plast	
(iii)	Key Management Personnel & Relatives of the group:	
	Shri Bipin A. Gala	Shri Devish G. Gala
	Shri Anil D. Gala	Smt Henal T. Mehta
	Shri Gnanesh D. Gala	Shri Atul J. Shethia
	Shri Raju H. Gala	Shri Kamlesh S. Vikamsey
	Shri Shailendra J. Gala	Shri Nilesh S. Vikamsey
	Shri Sanjeev J. Gala	Smt. Usha Laxman
	Shri Kalpesh H. Gala	Shri Tushar K. Jani
	Shri Ketan B. Gala	Shri Mohinder P. Bansal
	Smt Pooja Ketan Gala	Dr. Vijay B. Joshi
	Shri Archit R. Gala	
(iv)	Key Management Personnel & Relatives as per the Companies Act, 2013: Shri Deepak L Kaku (Chief Financial Officer of holding Company) Shri Amit D Buch (Company Secretary of holding Company and one subsidiary)	
(v)	Post employment Benefit Plan Employees' Gratuity scheme	

B. Disclosure in respect of transactions with related parties during the year:

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
1	**Royalty Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	3,085		2,612	
	Navneet Prakashan Kendra		1,737		1,370
	Vikas Prakashan		808		779
	Gala Publishers		540		463
2	**Rent Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	924		906	
	Navneet Prakashan Kendra		678		664
	Vikas Prakashan		55		55
	Gala Publishers		32		30
	Sandeep Agency		159		157
	Gala Comp		-		#
3	**Electricity Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	#		#	
	Navneet Prakashan Kendra		#		#
4	**Legal fees**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	153		71	

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(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
	The Flagship Advertising Private Limited		139		63
	Henal T. Mehta		14		8
5	**Labour charges paid**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	5		-	
	Sai Plast		5		-
6	**Sundry balance write off**				
	Associates	-		14	
	K12 Techno Services Private Limited		-		14
7	**Remuneration / Salary Paid to**				
	KMP & their Relative	1,359		1,194	
	Shri Atul J. Sethia		87		64
	Shri Bipin A. Gala		146		133
	Shri Anil D. Gala		152		133
	Shri Gnanesh D. Gala		152		133
	Shri Shailendra J. Gala		132		126
	Shri Raju H. Gala		158		133
	Shri Sanjeev J. Gala		147		126
	Shri Ketan Bipin Gala		144		126
	Shri Kalpesh H. Gala		139		126
	Smt.Pooja Ketan Gala		5		4
	Shri Archit R.Gala		7		3
	Shri Devish G. Gala		9		6
	Shri Deepak L. Kaku		46		47
	Shri Amit D. Buch		36		33
	Sitting fees paid to non-executive director	12		8	
	Shri Kamlesh S. Vikamsey		1		1
	Shri. Nilesh S. Vikamsey		1		#
	Smt. Usha Laxman		2		1
	Shri Tushar K. Jani		3		3
	Shri Mohinder Pal Bansal		2		2
	Dr. Vijay B. Joshi		3		1
8	**Investment in Preference Shares**				
	Associate:	1,429		2,148	
	K12 Techno Services Private Limited		1,429		2,148
9	**Rent Income**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		8	
	Blacksoil Capital Private Limited		-		6
	Schoolwear Private Limited		-		2

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(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
10	**Sales of Finished Goods**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	86		8	
	Navneet Foundation		86		8
11	**Contribution to post-employment benefit scheme**	442		406	
	Employees' Gratuity scheme		442		406
12	**Shares bought Back**				
	KMP & their Relative	668		-	
	Shri Bipin A. Gala		72		-
	Shri Anil D. Gala		106		-
	Shri Gnanesh D. Gala		102		-
	Shri Shailendra J. Gala		41		-
	Shri Raju H. Gala		56		-
	Shri Sanjeev J. Gala		41		-
	Shri Ketan Bipin Gala		79		-
	Shri Kalpesh H. Gala		134		-
	Smt.Pooja Ketan Gala		9		-
	Shri Archit R. Gala		28		-
13	**Dividend**				
	KMP & their Relative	319		491	
	Shri Bipin A. Gala		34		53
	Shri Anil D. Gala		51		82
	Shri Gnanesh D. Gala		49		79
	Shri Shailendra J. Gala		20		33
	Shri Raju H. Gala		27		28
	Shri Sanjeev J. Gala		20		33
	Shri Ketan Bipin Gala		38		63
	Shri Kalpesh H. Gala		64		90
	Smt.Pooja Ketan Gala		4		7
	Shri Archit R. Gala		13		22
	Dividend paid to non-executive director	#		#	
	Shri Mohinder Pal Bansal		-		#
	Dr. Vijay B. Joshi		#		#
	Enterprises owned or significantly influenced by KMP or their relatives, including:	2		3	
	Smt Henal T. Mehta		2		3

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

C. Related Parties Account balances as on 31st March, 2019

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2018-19		2017-18	
		Amount	Amounts for material parties	Amount	Amounts for material parties
1	**Investments**				
	In Equity Shares & preference shares (including Goodwill & net of Group's share of loss)				
	Associates:	6,573		4,583	
	K12 Techno Services Private Limited		6,573		4,583
2	**Balance with post employment benefit Fund**				
	Employees' Gratuity scheme		3,867		3,210

Footnote:

(i) The above figure excludes provision for gratuity and compensated absences which have been actuarially determined on overall basis.

(ii) Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services are at arm's length price.

54 Operating Segments

The Group's operations relates to publication of knowledge based information in educational and general books form as well as electronic media and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market. Accordingly "Publication" and " Stationery" comprise of the primary segments.

Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting principles and policies used in the preparation of the Financial Statements, as set out in the note on significant accounting policies, are also consistently applied to record revenue and expenditure, in individual segments.

(A) Primary - Business Segments

(₹ in Lakhs)

	Publication		Stationery		Others		Total	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018
Revenue	79,523	69,995	64,812	50,096	492	581	1,44,827	1,20,672
Less : Inter Segment Revenue	-	-	-	-	326	274	326	274
Net Revenue	79,523	69,995	64,812	50,096	165	307	1,44,501	1,20,398
Other Income	125	152	824	1,616	(7)	(1)	941	1,767
Segment Revenue	**79,648**	**70,147**	**65,636**	**51,713**	**158**	**306**	**1,45,442**	**1,22,165**
Segment Results	**22,189**	**19,185**	**6,406**	**5,070**	**213**	**(53)**	**28,808**	**24,201**
Add: Unallocated Other Income / (Expense)							750	833

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

	Publication		Stationery		Others		Total	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018	31-03-2019	31-03-2018
Less: Financial Expenses							1,532	773
Less: Unallocable Expenditures							4,056	3,258
Profit Before Taxation							**23,970**	**21,003**
Provision for Taxation (Income tax and Deferred tax)							(9,249)	(8,253)
Share in Profit/(Loss), Minority Interest and goodwill							561	(14)
Profit after taxation							**15,282**	**12,736**
Segment Assets	60,192	51,724	59,039	54,272	7,310	5,535	1,26,541	1,11,531
Unallocated Assets							5,214	3,824
Total Assets							**1,31,755**	**1,15,355**
Segment Liabilities	15,074	10,768	6,887	6,371	3	26	21,964	17,165
Unallocated Liabilities							30,659	22,976
Total Liabilities							**52,623**	**40,140**
Capital Expenditure	2,840	1,948	1,210	1,674	-	2	4,049	3,624
Unallocated Capital Expenditure							285	63
Depreciation and amortisation expense on segmental assets	30,991	1,805	959	869	92	112	32,042	3,012
Unallocated Depreciation and amortisation expense							66	54
Material non cash items other than depreciation and amortisation							671	454

Notes :

1 Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment, however, revenue and expenses which can not be identified or allocated reasonably to a segment

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

being related to the enterprise as a whole have been grouped as unallocable.

2 Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

3 The business which have been grouped under "Others" segment comprises of revenue from generation of power by Windmill, Pre School and Trading items etc.

4 In publication segment, concentration of revenues from one customer of the Company were 12.10% and 13.75% of total publication revenue for the year ended 31st March, 2019 and 31st March, 2018 respectively and in stationery segment, concentration of revenues from one customer of the Company were 22.25% and 28.78% of total stationary revenue for the year ended 31st March, 2019 and 31st March, 2018 respectively.

(B) Secondary - Geographical Segments

(₹ in Lakhs)

Particulars	North & Central America	Africa	Europe	Australia & Oceania	Rest of the world except India	India	Total
Segment Revenue	29,388	2,107	5,105	15	1,411	1,06,475	**1,44,501**
	(17,994)	(1,407)	(3,540)	(23)	(1,009)	(96,425)	**(1,20,398)**
Segment Assets	2,240	462	890	-	38	1,28,125	**1,31,755**
	(3,050)	(128)	(680)	-	(214)	(1,11,284)	**(1,15,355)**
Advance received from customers	15	68	3	-	144	244	**474**
	(14)	(43)	(32)	-	(17)	(185)	**(292)**

Note: Previous year figures are mentioned in bracket.

55 Additional Information as required by para 2 of General Instructions for preparation of Consolidated Financial Statements as per Schedule III of the Companies Act 2013.

(a) As at and for the year ended 31st March, 2019 (₹ in Lakhs)

Sr. No.	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (OCI)	
		%	Amount	%	Amount	%	Amount	%	Amount
A	**Parent**								
	1. Navneet Education Limited	110.19%	87,196	116.13%	17,747	93.49%	392	115.52%	18,139
B	**Subsidiaries**								
	Indian								
	1. eSense Learning Private Limited	-0.84%	(668)	-0.74%	(113)	5.52%	23	-0.58%	(90)
	2. Navneet Learning LLP	11.57%	9,157	-0.01%	(2)	0.00%	-	-0.01%	(2)
	3. Indiannica Learning Private Limited	1.22%	964	-18.75%	(2,865)	0.48%	2	-18.24%	(2,863)

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Sr. No.	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (OCI)	
		%	Amount	%	Amount	%	Amount	%	Amount
	Foreign								
	4. Navneet (HK) Limited	0.02%	20	-0.03%	(4)	0.03%	#	-0.03%	(4)
	Minority Interest in all subsidiaries	0.05%	42	0.00%	-	0.00%	-	0.00%	-
C	**Associates (Investment as per the equity method)**								
	Indian								
	1. K12 Techno Services Private Limited	0.00%	-	3.67%	561	0.71%	3	3.59%	564
D	Inter-company Elimination & Consolidation Adjustments	-22.21%	(17,579)	-0.27%	(41)	0.00%	-	-0.26%	(41)
		100%	**79,132**	**100%**	**15,282**	**100%**	**420**	**100%**	**15,702**

(b) As at and for the year ended 31st March, 2018

(₹ in Lakhs)

Sr. No.	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (OCI)	
		%	Amount	%	Amount	%	Amount	%	Amount
A	**Parent**								
	1. Navneet Education Limited	107.48%	80,841	120.30%	15,322	104.28%	(470)	120.90%	14,852
B	**Subsidiaries**								
	Indian								
	1. eSense Learning Private Limited	-0.77%	(577)	-4.00%	(510)	-1.17%	5	-4.11%	(505)
	2. Navneet Learning LLP	10.27%	7,722	-0.01%	(2)	0.00%	-	-0.01%	(2)
	3. Indiannica Learning Private Limited	5.09%	3,827	0.00%	(1,939)	-2.55%	11	-15.70%	(1,928)
	Foreign								
	4. Navneet (HK) Limited	0.04%	30	-0.01%	(2)	0.00%	#	-0.01%	(2)
	Minority Interest in all subsidiaries	0.06%	43	0.00%	-	0.00%	-	0.00%	-
C	**Associates (Investment as per the equity method)**								
	Indian								
	1. K12 Techno Services Private Limited	0.00%	-	-0.11%	(14)	-0.55%	3	-0.09%	(11)

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Sr. No.	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (OCI)	
		%	Amount	%	Amount	%	Amount	%	Amount
D	Inter-company Elimination & Consolidation Adjustments	-22.17%	(16,673)	-0.94%	(119)	0.00%	-	-0.97%	(119)
		100%	**75,215**	**100%**	**12,736**	**100%**	**(451)**	**100%**	**12,285**

56 Disclosures as required by Ind AS 103 for Goodwill

a) Movement of Goodwill: (₹ in Lakhs)

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Balance at the beginning of the Year	4,567	4,567
Add: Goodwill on acquisition of a subsidiary	-	-
Less: Impairment of Goodwill (refer point (b) below)	-	-
Balance at end of the year	**4,567**	**4,567**

b) Goodwill was created in year 2016-17 on acquisition of a subsidiary 'Indiannica Learning Private Limited'. Impairment test for has been carried out by the management based on the projections for next five years as approved by the Board of directors. Some of the assumptions based on which projections are prepared based on market estimates and management judgements which have been relied upon by the auditors.

c) Impairment test for goodwill on acquisition of a subsidiary generated in previous years:

The Group tests goodwill for impairment annually. During the year ended 31st March, 2019, the testing did not result in any impairment in the carrying amount of goodwill.

Impairment testing was carried on by the management based on the projections for next five years as approved by the Managing directors of subsidiary. Key assumptions used in projections are:

- Earnings before interest and taxes (EBIT) margins,
- Growth rate,
- Discount rates etc.

EBIT margins: The margins have been estimated based on past experience after considering various factors like increase in team size, market share, new publications etc.

Growth rate: The growth rates used are in line with long-term average growth rates of the respective industry and are consistent with the internal / external sources of information. These assumptions based on past experience, market estimates and management judgements.

Discount rates: Discount rates reflects the current market assessment of the risks specific to a Cash Generating Unit (CGU) and estimated based on estimated based on weighted average cost of capital for respective CGU / group CGU.

The net present value of the future earnings based on the projections is significantly higher than the carrying value of goodwill, hence sensitivity in projections data will not affect impairment test result materially."

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

57 Interests in other entities

a) Subsidiaries:

Name of the entity	Place of business / country of incorporation	Principal activities	As at 31st March, 2019	As at 31st March, 2018
i) Ownership interest held by the Group				
eSense Learning Private Limited	India	e-learning products & Services	100%	100%
Navneet Learning LLP	India	Special Purpose Vehicle (SPV)	93%	93%
Indiannica Learning Private Limited	India	CBSE Content Publication	100%	100%
Navneet (HK) Limited	Hong Kong	Stationery trading	70%	70%
ii) Ownership interest held by non-controlling interests				
Navneet Learning LLP	India	Special Purpose Vehicle (SPV)	7%	7%
Navneet (HK) Limited	Hong Kong	Stationery trading	30%	30%

b) Interest in associates:

K12 Techno Services Private Limited engaged in the business of providing various services to education institutions in India. K12 Techno Services Private Limited is not listed and hence quoted prices are not available.

Investment in entities in which significant influence exists but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment.

The following table summarises the financial information of K12 Techno Services Private Limited as included in its financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in K12 Techno Services Private Limited.

(₹ in Lakhs)

Particulars	31st March, 2019 (Unaudited)	31st March, 2018 (Audited)
Investment in associate (share in % - Equity shares including Compulsorily Convertible Preference Shares into equity) (Refer note 57.2 below)	33.23%	33.23%
Current assets	9,466	6,788
Non-current assets	10,055	5,434
Current liabilities	5,906	4,087
Non-current liabilities	37	157
Net assets	**13,578**	**7,978**
Proportion of the Group's ownership interest		
- In equity and preference shares (including securities premium)	9,159	7,729
- Share of profit / (loss) in retained earnings (Refer note 57.1 below)	(2,586)	(3,146)
Carrying amount	**6,573**	**4,583**
Revenue	8,908	5,678

Notes on Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	31st March, 2019 (Unaudited)	31st March, 2018 (Audited)
Profit or loss from continuing operations	1,584	(1,908)
Other comprehensive income	-	(16)
Total comprehensive income	**1,584**	**(1,924)**

(₹ in Lakhs)

Particulars	31st March 2019 (Unaudited)	31st March 2018 (Unudited)
Group share in profit / (loss):		
- Current year (based on unaudited)	526	226
- Previous year (based in audit during the year) (Refer note 57.1 below)	35	(240)
Group's share of profit / (loss)	**561**	**(14)**
Group's share of other comprehensive income:		
- Current year (based on unaudited)	-	3
- Previous year (based in audit during the year) (Refer note 57.1 below)	3	-
Group's share of other comprehensive income	**3**	**3**
Group's share of total comprehensive income	**564**	**(11)**

57.1 Financial information of associate 'K12 Techno Services Private Limited' have been considered based on unaudited books of account. Also, during the financial year, differential impact of Group's share of profit / (loss) is consolidated based on completion of audit of previous financial year.

57.2 This Compulsorily Convertible Preference Shares is convertible at any point of time by the holder (i.e. Navneet Learning LLP, subsidiary entity of Navneet Education Limited).

58 Additional Information as required by para 7 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

59 Previous Year Figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place: Mumbai
Date : 15th May, 2019

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Deepak L. Kaku
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place: Mumbai
Date : 15th May, 2019

NAVNEET EDUCATION LIMITED

CIN : L22200MH1984PLC034055
Registered Office : Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai - 400 028.
e-mail : investors@navneet.com website : www.navneet.com

SHAREHOLDER INFORMATION

To,
Link Intime India Pvt. Ltd.
C - 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai–400 083,

Updation of Shareholder Information for Physical Holdings

I/We request you to record the following information against my/our Folio No.:

General Information:

Folio No.	
Name of the sole/first share-holder	
PAN*	
CIN/Registration* (applicable to corporate shareholders)	
Tel. No. with STD Code	
Mobile No.	
E-mail Id	

*Self-attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 Digit)	MICR: (9 Digit)
Bank A/c Type:	Bank A/c Type#:
Name of the Bank:	
Bank Branch Address:	

#A blank cancelled cheque is enclosed to enable verification of bank details.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We shall not hold the company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No....................................

Place:
Date:
Encl: Signature of Sole/first holder

Notes :
1) Scanned copy of the above form, duly completed, along with the necessary documents, can also be sent to us on the following e-mail IDs: rnt.helpdesk@linkintime.co.in
2) For Members holding shares in electronic form, any change in the above details must be intimated directly to their Depository Participant only and not to the Company or its Registrars and Share Transfer Agents.

NAVNEET EDUCATION LIMITED

CIN : L22200MH1984PLC034055

Registered Office : Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai - 400 028.
e-mail : investors@navneet.com   website : www.navneet.com

ATTENDANCE SLIP

33rd Annual General Meeting 24th day of July, 2019

Registred Folio : ☐☐☐☐☐☐ DP ID : ☐☐☐☐☐☐☐☐

Client ID : ☐☐☐☐☐☐☐☐ Number of shares held : ☐☐☐☐☐☐☐☐☐☐

I/We hereby record my/our presence at the 33rd Annual General Meeting of the Company held on Wednesday 24th July, 2019 at 10:30 a.m. at M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001

(Member's / Proxy's Name in Block Letters) (Member's / Proxy's Signature)

Note: Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.

NAVNEET EDUCATION LIMITED

CIN : L22200MH1984PLC034055

Registered Office : Navneet Bhavan, Bhavanl Shankar Road, Dadar (West), Mumbai - 400 028.

e·mail : investors@navneet.com   website : www.navneet.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3)
of the Companies (Management and Administration) Rules, 2014]

33rd Annual General Meeting 24th day of July, 2019

Name of the Member(s) : ....

Registered address : ....

E-mail Id : ....

Folio No. / Client ID : ☐☐☐☐☐☐☐☐ DP ID: ☐☐☐☐☐☐☐☐

I/We, being the member(s) holding..................................shares of the above named Company, hereby appoint:

1. Name:.. Address : ....
E-Mail Id: .... Signature : ....or failing him/her;

2. Name:.. Address : ....
E-Mail Id: .... Signature : ....or failing him/her;

3. Name:.. Address : ....
E-Mail Id: .... Signature : ....or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company to be held on Wednesday 24th July, 2019 at 10:30 a.m. at M.C.Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Number	Description	For	Against
Ordinary Business			
1	Receive, consider and adopt the: a) Audited Financial Statement of the Company for the Financial Year ended 31st March, 2019 including the Audited Balance Sheet as at 31st March, 2019 and Statement of Profit and Loss for the year ended on that date together with Reports of Board of Directors and Independent Auditors thereon; and b) Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2019 including the Audited Consolidated Balance Sheet as at 31st March, 2019 and the Consolidated Statement of Profit and Loss for the year ended on that date together with Report of Independent Auditors thereon.		
2	Declaration of dividend for the Financial Year ended 31st March, 2019.		
3	Re-appointment of Shri Bipin A. Gala (DIN: 000846625) as a Director, liable to retire by rotation and, being eligible offers himself for re-appointment.		
4	Re-appointment of Shri Anil D. Gala (DIN: 00092952) as a Director, liable to retire by rotation and, being eligible, offers himself for re-appointment.		
5	Re-appointment of Shri Kamlesh S. Vikamsey (DIN: 00059620) as a Director, liable to retire by rotation and, being eligible, offers himself for re-appointment.		
Special Business			
6	Re-appointment of Shri Mohinder Pal Bansal (DIN:01626343) as an Independent Director for a second term of 5 (five)consecutive years.		
7	Re-appointment of Shri Tushar K. Jani (DIN:00192621) as an Independent Director for a second term of 5 (five)consecutive years.		
8	Re-appointment of Smt. Usha Laxman (DIN:02765647) as an Independent Director for a second term of 5 (five)consecutive years.		
9	Re-appointment of Dr. Vijay B. Joshi (DIN:06705634) as an Independent Director for a second term of 5 (five)consecutive years.		
10	Re-classification of some of the persons forming part of Promoter Group from 'Promoter & Promoter Group category' to 'Public Category'.		

Signed this ……..……day of ……..…..…………2019 **Signature of Shareholder ………..……………………**

Affix
₹1/-
Revenue
Stamp

Signature of Proxy holder(s) …………………………………………..………………..

NOTES:

1. The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

2. A person can act as proxy on behalf of Members up to and not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

Scribbling Page

Scribbling Page

NAVNEET EDUCATION LIMITED

CIN: L22200MH1984PLC034055
Navneet Bhavan, Bhavani Shankar Road,
Dadar (W), Mumbai – 400 028.
www.navneet.com

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