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Date: 26.03.2021

Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 **Script Code: EDUCOMP**	Listing Department Bombay Stock Exchange Ltd. PJ Towers, Dalal Street, Mumbai - 400 001 **Script Code: 532696**

Sub: Submission of audited Standalone Financial Results for the financial year ended March 31, 2018

Dear Sir/Madam,

You are kindly requested to take on record the copy of the audited Standalone Financial Results of the Company for the financial year ended March 31, 2018 along with Report of the Statutory Auditors thereon.

Further, please also note that Statutory Audit of Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 is in process and therefore the same will be submitted in due course of time for your records under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Note: *As informed earlier also vide various communications, pursuant to an application for Corporate Insolvency Resolution Process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("the Code") on May 12, 2017, Hon'ble National Company Law Tribunal, Delhi ("Adjudicating Authority"), vide its order dated 30th May 2017, had ordered the commencement of CIRP in respect of the Company under the provisions of Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and Dr. Sanjeev Aggarwal was appointed as interim resolution professional of the Company. The IRP carried out his duties from May 30, 2017 till Mr. Mahender Khandelwal was appointed as Resolution Professional ("RP") vide the order of NCLT dated September 12, 2017 and took over the management of the affairs of the Company.*

The standalone financial statements of the Company for the year ended March 31, 2018 ('Financial Statements') have been prepared by the Company, RP and his team. The financial statements have been approved by the RP and presented to the auditors for their report thereon. In view of the fact that the company secretary and Chief Financial Officer of the Company are not in place on the date of signing of Financial Statements and the erstwhile management had given limited cooperation, the financial statements of the company are closed by the RP with best of his knowledge and ability and with best available set of information that the RP and his team could gather, collate and present.

Thanking You.
Yours truly,
For **Educomp Solutions Limited**

Mahender Kumar Khandelwal
Resolution Professional in the matter of Educomp Solutions Limited
Email: mkipeducomp@bdo.in
Address: B2A, Sunny Valley CGHS, Plot No. 27, Sector 12, Dwarka, New Delhi - 110078
Registration no. IBBI/IPA-001/IP-P00033/2016-17/10086

HARIBHAKTI & CO. LLP
Chartered Accountants

Educomp Solutions Limited

Statutory Audit Report for the year ended March 31, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of Educomp Solutions Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Educomp Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter collectively referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Resolution Professional of the Company, Mr. Mahender Khandelwal ("RP") appointed by the Committee of Creditors ("CoC") pursuant to the order passed by the Hon'ble National Company Law Tribunal ("NCLT"), with whom the management of the affairs of the Company and the powers of the Board of Directors of the Company are now vested after the commencement of Corporate Insolvency Resolution Process ("CIRP") w.e.f. May 30, 2017 under the provisions of Insolvency & Bankruptcy Code, 2016 ("Insolvency Code"), are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Further, as per Section 134 of the Act, the standalone financial statements of a company is required to be authenticated by the Chairperson of the Board of Directors, where authorised by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the pendency of CIRP, as per the Insolvency Code, and pursuant to the order passed by the Hon'ble NCLT, the powers of the Board of the Directors are now vested with the RP. Accordingly, these Standalone Ind AS Financial Statements are approved by the RP [refer note 2A(a) of the Standalone Ind AS Financial Statements and paragraph (a) under Emphasis of Matter].

In preparing the Standalone Ind AS Financial Statements, the 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.

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Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors/management/RP (refer note 2A(a) of the Standalone Ind AS Financial Statements and paragraph "(a)" under Emphasis of Matter paragraph), as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

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

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

Basis for Adverse Opinion

1. As mentioned in note 3.2 to the Standalone Ind AS Financial Statements, the Management did not conduct physical verification of Property, plant and equipment at certain locations having a net carrying value of Rs. 17.36 million as at March 31, 2018. In absence of the same, we are unable to comment over existence, valuation and extent of the adjustment, if any required in respect of these assets as at March 31, 2018.

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2. The Company has not evaluated its investment in one of its subsidiary, namely Educomp Learning Private Limited aggregating to Rs. 1.96 million as at March 31, 2018 for impairment. In absence of such assessment, we are unable to comment upon the appropriateness of the carrying amount of such investment as at March 31, 2018 and possible impact of the same on the loss for the year ended on that date and equity as on that date.

3. As regards trade receivable amounting Rs. 2,660.44 million (net of provision of Rs. 13,726.60 million), as on March 31, 2018, the management is of the view that the same are good and recoverable in due course and hence no further provision is required. Out of the above, trade receivables to the extent of only Rs. 460.27 million have subsequently been realized by the Company till June 30, 2020. In the absence of appropriate audit evidences including balance confirmations, correspondences from parties, and details of subsequent realization post June 30, 2020, we are unable to comment on the recoverability of balance outstanding trade receivables of Rs. 2,200.17 million and the possible impact on the loss for the year ended on that date and on the balance of trade receivables and equity as at March 31, 2018.

4. As mentioned in Note 25 to the Standalone Ind AS Financial Statements, the Company follows Expected Credit loss (ECL) model for measuring impairment of its trade receivables. The ECL allowance or loss rate is computed based on a provision matrix which takes into account historical credit loss experience. The computed loss rate is mentioned in Note 25 to the Standalone Ind AS Financial Statements, however, we have not been provided with the workings of such loss rate computed by the Company.

   Further, the Company has not taken effect of aforesaid loss rate in computation of impairment provision, if any on trade receivable over and above the existing provision in the books of account. In absence of relevant workings and other details, we are unable to comment on the appropriateness of the loss rate and the possible impact of not considering the effect of the loss rate in impairment provision on the trade receivables balances as at March 31, 2018 and the loss for the year ended March 31, 2018 and on the equity as on that date. Our report on the financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.

5. We have not received direct confirmations for balance in certain current accounts amounting Rs. 0.17 million, term deposits accounts amounting Rs. 0.20 million and balance of margin money amounting Rs. 1.52 million, as at March 31, 2018. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and on the balance of cash and cash equivalent and equity as at March 31, 2018.

6. We have neither got the direct confirmations from the bank nor we been provided with the bank statements for borrowings from banks and financial institutions amounting Rs. 20,029.77 million as at March 31, 2018. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and on the balance of borrowings and equity as at March 31, 2018.

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7. Balance in borrowings account amounting Rs. 1,015.50 million (other than those mentioned in paragraph '6' above) as at March 31, 2018 is subject to direct confirmations. Further, in case of borrowings amounting Rs. 3,413.69 million wherein we have received confirmations, there are differences amounting Rs. 109.77 million (short in books of accounts) in amount reported in confirmation from that of amount recorded in the Standalone Ind AS Financial Statements. In absence of reconciliations and other alternative audit evidences, we are unable to comment on any possible impact thereof on the loss for the year and balance of such borrowings as at March 31, 2018 and equity as on that date.

8. As mentioned in note 12.4 to the Standalone Ind AS Financial Statements, the Company has not accrued interest on borrowing post May 30, 2017, being CIRP commencement date. The amount of such interest not accrued is estimated to be Rs. 2,167.83 million for the year. This has resulted in understatement of financial liabilities by Rs 2,167.83 million as at March 31, 2018 and understatement of loss for the year and overstatement of equity as on that date by that amount.

9. The Company has not determined the provision for penal interest for defaults on borrowings as per the contractual terms of the underlying agreements. In absence of such assessment, we are unable to comment on the possible impact thereof on the loss for the year and on the balance of borrowings and equity as on March 31, 2018.

10. As disclosed in Note 37 to the Standalone Ind AS Financial Statements, as per the Insolvency Code, the RP has received, verified and admitted the claims submitted by the creditors (Operational and Financial), employees and workmen of the Company aggregating to Rs. 30,437.72 million till May 30, 2017. These claims have been taken into cognizance by CoC in its 12th meeting held on February 17, 2018, while approving the Resolution Plan of the Company. The details of such claims have been disclosed in the said note. As represented by the Management/RP, pending approval of the Resolution Plan by Hon'ble NCLT, a reconciliation of the admitted claims vis-à-vis liabilities outstanding as at March 31, 2018 has not been prepared and any impact thereof has not been considered in the preparation of these Standalone Ind AS Financial Statements as at and for the year ended March 31, 2018.

    In the absence of the above, we are unable to comment upon appropriateness of carrying value of such liabilities as at March 31, 2018 and any possible impact of the same on the loss for the year ended on that date and equity as at that date.

11. As disclosed in Note 29 to the Standalone Ind AS Financial Statements, financial guarantees aggregating Rs. 11,621.69 were issued to banks on behalf of its subsidiaries. As per Ind AS 109 "Financial Instruments", the said financial guarantees are required to be initially measured at fair value and subsequently measured at the higher of (i) the amount of loss allowance in accordance with Expected Credit Loss ("ECL") method and (ii) amount initially recognized less cumulative amount of income recognized in income statement. However, no measurement of financial guarantees at fair value and estimation of loss allowances in accordance with ECL method were performed during the year. In absence of such measurement, we are unable to comment on the resultant impact thereof on the loss for the year ended March 31, 2018 and corresponding liability and equity as on that date. Our report on the Ind AS financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.

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12. As explained in Note 35 to the Standalone Ind AS Financial Statements regarding managerial remuneration paid to one of the whole time directors of the Company during the quarter ended June 30, 2015 and during the year ended March 31, 2015 in non-compliance with the requirements of Section 197 and Section 198 read with Schedule V to the Companies Act, 2013, and paid during the year ended March 31, 2014 in non-compliance with the requirements of Section 198, Section 269 and Section 309 read with Schedule XIII to the Companies Act, 1956, for which the Central Government's approval is yet to be obtained. Our report on the Ind AS financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.

13. Based on the information and explanations provided to us by the Management, the Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). As further explained to us, certain information have been requested by them from the Company and the investigations are currently underway and the Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing this report. In absence of pending final outcome of the investigations, we are unable to comment on the consequential impact of these matters on these Standalone Ind AS financial statements as at and for the year ended March 31, 2018.

14. The Company did not have any internal audit conducted during the year as required under sections 138 of the Act. The impact of the non-compliance on the accompanying Standalone Ind AS financial statements is presently not ascertainable.

15. The Company did not have a full time company secretary as on the date of approval of these Standalone Ind AS Financial Statements. Consequently, these standalone Ind AS Financial Statements could not be authenticated by a company secretary ensuring compliance with all applicable provisions of the Companies Act, 2013. Also, the impact of this non-compliances on the accompanying Standalone Ind AS financial statements is presently not ascertainable.

16. The Company did not have a Chief Financial Officer (CFO) as on the date of approval of these Standalone Ind AS Financial Statements as required under section 203 of the Act. Consequently, these standalone Ind AS Financial Statements could not be authenticated by a CFO. Also, the impact of this non-compliances on the accompanying Standalone Ind AS financial statements is presently not ascertainable.

17. The Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI LODR Regulations, 2015, RBI circulars and Foreign Exchange Management Act, 1999. The financial or other impact of these non-compliances on these Standalone Ind AS Financial Statements is presently not ascertainable.

Adverse Opinion

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph and the elapse of significant time from the closure of financial year and any other matters that could have come to our notice had we been provided with complete and timely information; the aforesaid Standalone Ind AS Financial Statements do not give the information required by the Act in the manner so required and also do not give a true and fair view, in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company

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as at March 31, 2018, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Material Uncertainty Related to Going Concern

We draw attention to Note 2A(c) in the Standalone Ind AS Financial Statements, which indicates that the Company has incurred substantial losses during the year, its net worth has been completely eroded, has defaulted in repayment of its loans and related interest, and has negative working capital. Further, during the year, the CIRP has been initiated, which is under process. These conditions indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. However, these Standalone Ind AS Financial Statements have been prepared on a going concern basis as the management is of the view that the Company has been able to discharge its operational liabilities from its internal accrual of funds till the date of this balance sheet and is also confident that the Company is having sufficient fund balance to continue as going concern as stated in the said note.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to the following matters in the notes to the standalone Ind AS Financial Statements:

a) Note 2A(a) to the Standalone Ind AS Financial Statements, wherein it is stated that CIRP has been initiated in case of the Company vide an order of the principal bench of the NCLT dated May 30, 2017 under the provisions of the Insolvency Code. Pursuant to the order, the management of the affairs of the Company and powers of board of directors of the Company are now vested with the Resolution Professional (RP), who is appointed by the CoC. These Standalone Ind AS Financial Statements have been prepared and approved by the RP.

b) Note 29 and note 1(c) to the Standalone Ind AS Financial Statements, considering the moratorium period, status of Contingent liabilities has been updated till the date of approval of insolvency application of the Company under the Insolvency Code i.e. till May 30, 2017.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

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

a. We have sought and except for the matters described in the Basis for Adverse Opinion paragraph above, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

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

d. Except for the possible effects of the matters described in the Basis for Adverse Opinion paragraph, in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards referred to in Section 133 of the Act with relevant rules issued thereunder;

e. The matters described under the Basis for Adverse Opinion paragraph and Material Uncertainty Related to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Company;

f. We have not received written representation from none of the directors of the Company as on March 31, 2018. In the absence of written representation received, we are unable to comment whether the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

g. The qualification/reservation/adverse remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above;

h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2". Our report expresses a Disclaimer of Opinion on the Company's internal financial controls over financial reporting for the reasons stated therein; and

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

   i. Except for the matters described in the Basis for Adverse Opinion paragraph above, the Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements - Refer Note 29 to the Standalone Ind AS Financial Statements. Also refer paragraph "(b)" under Emphasis of Matter paragraph on Contingent Liabilities;

   ii. Except for the possible effects of matters described under Basis of Adverse Opinion paragraph, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts and derivative contracts if any; and

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

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

HARIBHAKTI & CO. LLP
NEW DELHI
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Kunj B. Agrawal
Partner
Membership No. 095829
UDIN: 21095829AAAAAV8168

Place: New Delhi
Date: March 11, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Educomp Solutions Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2018]

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

b) During the year, the fixed assets of the Company have not been physically verified by the management. Thus, we are unable to comment on the paragraph 3(i)(b) of the Order. However, subsequent to the year end, physical verification of Property, plant and equipment at certain locations was conducted having a net carrying value of Rs. 3.12 million as at March 31, 2018. Also refer our comment in paragraph 1 of the "Independent Auditors Report - Basis of adverse opinion" regarding physical verification of Property, plant and equipment.

c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except the below:

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2018 (In Rs.)	Net Block as on March 31, 2018 (In Rs.)
Land at Gujarat	1	Freehold land	700,000	700,000

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a),3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) In respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, except the details below:

Nature of non-compliance	Name of Company/party	Amount granted during the year	Balance as at March 31, 2018
Interest free Loan given*	Edu Smart Services Private Limited (ESSPL)	Nil	Rs. 258.19 million

*Being amount recoverable from ESSPL on invocation of guarantee.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and other material statutory dues applicable to it though there have been slight delays in few cases. However, the Company has not been regular in depositing the undisputed statutory dues in respect of goods and service tax (GST) and the delays in deposit have been serious.

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

However, undisputed dues in respect of value added tax which were outstanding, at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Due Date	Date of Payment
Punjab Value Added Tax Act, 2005 (PVAT)	Works Contract Tax	Rs. 0.83 million	FY 16-17	Various	Not paid

(b) There are no dues outstanding with respect to, income tax, sales tax, service tax, value added tax, GST, customs duty or excise duty on account of any dispute except the details below:

Name of the statute	Nature of dues	Amount Disputed	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Bihar Value Added Tax Act, 2005 (BVAT)	Central Sales Tax	Rs. 0.34 million	Rs. 0.07 million	FY 11-12	The Assistant Commissioner of Commercial taxes, Patna

(viii) The Company has not taken any loan or borrowing from the governments. However, it has defaulted in repayment of loans or borrowings to financial institutions, banks and dues to debenture holders as per details set out in Appendix "A" attached herewith. The amounts of defaults stated in the Appendix are as per contractual terms.

Refer our matters stated in our "Independent Auditor's Report - Basis of adverse opinion" paragraph "(6)" wherein we have not been able to obtain bank statement or direct confirmation, paragraph "(7)" wherein we have not been able to get confirmations of borrowing accounts and wherein we have received confirmations, there are reconciliation differences, paragraph "(10)" in regards to the claims received by the RP which are in process. In reference to the same we are unable to comment on the possible impact of such matters on the defaults as reported under this clause.

(ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans during the year. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.

(x) Based on the information and explanations provided to us by the Management, the Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). As further explained to us, certain information have been requested by them from the Company and the investigations are currently underway and the Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing this report. Except these, no fraud by the Company or on the Company by its officers or employees has been noticed during the period covered by our audit.

(xi) No managerial remuneration has been paid / provided by the Company during the current year. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

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Also refer our comment in paragraph 12 of the "Independent Auditors Report - Basis of adverse opinion" regarding managerial remuneration paid to one of the whole time director of the Company during the quarter ended June 30, 2015, year ended March 31, 2015 and year ended March 31, 2014 for which Central Government's approval is yet to be obtained by the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Standalone Ind AS Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

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

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

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

Kunj B. Agrawal
Partner
Membership No. 095829
UDIN: 21095829AAAAAV8168

Place: New Delhi
Date: March 11, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT
[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Educomp Solutions Limited on the standalone Ind AS financial statements for the year ended March 31, 2018]

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

We were engaged to audit the internal financial controls over financial reporting of Educomp Solutions Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditors' 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, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI.

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2018.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Company, and the disclaimer does not affect our opinion on the standalone Ind AS financial statements of the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

Kunj B. Agrawal

Partner

Membership No. 095829

UDIN: 21095829AAAAAV8168

Place: New Delhi

Date: March 11, 2021

Educomp Solutions Limited
Balance sheet as at March 31, 2018

(in Rs. millions)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	102.74	115.23
Other intangible assets	4	134.42	269.34
Capital work-in-progress	5	20.00	20.81
Financial assets			
i) Investments	6.1	918.46	15,113.36
ii) Loans	6.2	11.77	9.73
iii) Other financial Assets	6.3	6.89	711.12
Income tax assets		87.62	148.06
Other non-current assets	7	3.19	3.69
Total		**1,285.09**	**16,391.34**
Current assets			
Inventories	8	14.41	68.05
Financial assets			
i) Loans	6.2	27.63	396.07
ii) Trade receivables	6.4	2,660.44	10,236.42
iii) Cash and Cash equivalents	6.5	185.63	385.98
iv) Bank balances other than (iii) above	6.5 A	27.90	12.87
v) Other Financial Assets	6.3	2.31	284.10
Other current assets	9	47.19	106.36
Total		**2,965.51**	**11,489.85**
Total Assets		**4,250.60**	**27,881.19**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	10	244.93	244.93
b) Other equity	11		
i) Equity component of compound financial instruments		524.45	524.45
ii) Reserves and surplus		(27,100.54)	(3,544.77)
Total Equity		**(26,331.16)**	**(2,775.39)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	12.1	188.65	188.65
Provisions	13	8.89	32.22
Total		**197.54**	**220.87**

Contd.....

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

EDUCOMP SOLUTIONS LIMITED NEW DELHI

Educomp Solutions Limited
Balance sheet as at March 31, 2018

(in Rs. millions)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
Current liabilities			
Financial liabilities			
i) Borrowings	12.1	1,203.47	1,198.87
ii) Trade payables	12.2		
-due to micro and small enterprises		9.89	7.90
-due to others		1,246.39	1,319.12
iii) other financial liabilities	12.3	27,538.36	27,097.92
Provisions	13	4.63	264.68
Other current liabilities	14	381.48	547.22
Total		**30,384.22**	**30,435.71**
Total liabilities		**30,581.76**	**30,656.58**
Total Equity and liabilities		**4,250.60**	**27,881.19**
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date.

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

Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: March 11, 2021.

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of
Educomp Solutions Limited

Mahender Kumar Khandelwal
Resolution Professional
Regn. No IBBI/IPA-001/IP-P00033/2016-17/10086

Place: New Delhi
Date: March 11, 2021

EDUCOMP SOLUTIONS LIMITED ★ NEW DELHI

Educomp Solutions Limited
Statement of Profit and loss for the year ended March 31, 2018

(in Rs. millions)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	15	644.46	1,774.77
Other Income	16	75.31	379.70
Total Income		**719.77**	**2,154.47**
Expenses			
Purchase of stock-in-trade	17	35.93	367.33
Changes in inventories of stock-in-trade	18	23.44	51.92
Employee benefit expense	19	373.26	1,116.94
Finance cost	20	435.68	2,536.99
Depreciation and amortisation expense	3	147.77	272.19
Other expense	21	8,589.14	1,046.83
Total expenses		**9,605.22**	**5,392.20**
Loss before exceptional items and tax		**(8,885.45)**	**(3,237.73)**
Exceptional items	22	14,797.33	1,517.86
Loss before tax		**(23,682.78)**	**(4,755.59)**
Tax expense	23		
a) Current tax		-	-
b) Deferred tax		-	-
Loss for the year		**(23,682.78)**	**(4,755.59)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurment of the defined benefit plan		6.75	24.32
Income tax related to above item		-	-
Total comprehensive income for the year		**6.75**	**24.32**
Total comprehensive loss for the year		**(23,676.03)**	**(4,731.27)**
Earnings per equity share (Nominal value Rs. 2 per share)			
a) Basic	32	(193.38)	(38.83)
b) Diluted		(193.38)	(38.83)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date.

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

Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: March 11, 2021

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of
Educomp Solutions Limited

Mahender Kumar Khandelwal
Resolution Professional
Regn. No IBBI/IPA-001/IP-P00033/2016-17/10086

Place: New Delhi
Date: March 11, 2021

EDUCOMP SOLUTIONS LIMITED NEW DELHI

Educomp Solutions Limited
Statement of Changes in equity for the year ended March 31, 2018

A.) Equity share capital	(in Rs. millions)
As at March 31, 2016	244.93
Changes in equity share capital	-
As at March 31, 2017	244.93
Changes in equity share capital	-
As at March 31, 2018	244.93

(in Rs. millions)

B.) Other equity

Particulars	Equity Component of Compounded financial instruments	Other Comprehensive income	Reserves & Surplus					Other Reserves	Total
			Capital Reserve	Security premium reserve	ESOP	General reserve	Retained earnings	FCMITDA	
Balance as at April 01, 2016	502.72	0.23	411.66	10,240.32	76.57	1,033.28	(10,077.12)	(841.74)	1,345.92
									-
Loss for the year	-	-	-	-	-	-	(4,755.59)	-	(4,755.59)
Other comprehensive income	-	24.32	-	-	-	-	-	-	24.32
Total comprehensive loss during the year	-	24.32	-	-	-	-	(4,755.59)	-	(4,731.27)
Employee stock compensation provided	-	-	-	-	13.79	-	-	-	13.79
Employee stock option forfeited	-	-	-	-	(28.11)	28.11	-	-	-
Foreign currency monetary item translation difference created during the year (Gain)	-	-	-	-	-	-	-	119.54	119.54
Foreign currency monetary item translation difference amortised during the year	-	-	-	-	-	-	-	209.97	209.97
Equity component of compounded financial instruments issued during the year	21.73	-	-	-	-	-	-	-	21.73
Total Additions/(Deletions) during the year.	21.73	24.32	-	-	(14.32)	28.11	(4,755.59)	329.51	(4,366.24)
Balance as at March 31, 2017	524.45	24.55	411.66	10,240.32	62.25	1,061.39	(14,832.71)	(512.23)	(3,020.32)

Educomp Solutions Limited
Statement of Changes in equity for the year ended March 31, 2018

Particulars	Equity Component of Compounded financial instruments	Other Comprehensive income	Reserves & Surplus					Other Reserves	Total
			Capital Reserve	Security premium reserve	ESOP	General reserve	Retained earnings	FCMITDA	
Balance as at April 01, 2017	524.45	24.55	411.66	10,240.32	62.25	1,061.39	(14,832.71)	(512.23)	**(3,020.32)**
Loss for the year	-	-	-	-	-	-	(23,682.78)	-	**(23,682.78)**
Other comprehensive income	-	6.75	-	-	-	-	-	-	**6.75**
Total comprehensive loss during the year	-	**6.75**	-	-	-	-	**(23,682.78)**	-	**(23,676.03)**
Employee stock compensation provided	-	-	-	-	0.60	-	-	-	**0.60**
Employee stock option forfeited	-	-	-	-	(59.33)	59.33	-	-	**-**
Foreign currency monetary item translation difference created during the year (Gain)	-	-	-	-	-	-	-	(16.99)	**(16.99)**
Foreign currency monetary item translation difference amortised during the year	-	-	-	-	-	-	-	136.65	**136.65**
Total Additions/(Deletions) during the year	-	**6.75**	-	-	**(58.73)**	**59.33**	**(23,682.78)**	**119.66**	**(23,555.77)**
Balance as at March 31, 2018	**524.45**	**31.30**	**411.66**	**10,240.32**	**3.52**	**1,120.72**	**(38,515.49)**	**(392.57)**	**(26,576.09)**

As per our report of even date

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

Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: March 11, 2021

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * NEW DELHI

For and on behalf of Board of Directors of
Educomp Solutions Limited

Mahender Kumar Khandelwal
Resolution Professional
Regn. No IBBI/IPA-001/IP-P00033/2016-17/10086

Place: New Delhi
Date: March 11, 2021

EDUCOMP SOLUTIONS LIMITED * NEW DELHI

Educomp Solutions Limited
Statement of Cash Flows for the year ended March 31, 2018
(All amount in Rs. million unless otherwise stated)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from operating activities		
Loss before tax as per Statement of Profit and Loss	(23,682.78)	(4,755.59)
Adjustment for:		
Exceptional items		
(Profit) / loss on sale of investments	324.46	(377.56)
Credit balance written back	-	(250.00)
Penalty under settlement	-	407.73
Provision for diminution in the value of long term investment	14,472.87	1,737.69
Provision for bad and doubtfull debts	6,896.79	-
Provision for sundry advances	384.38	23.69
Provision for Inventory	55.23	(4.83)
Provision for doubtful security deposits	341.43	-
Provisions/credit balances written back	(32.29)	(33.39)
Sundry balances written off	22.36	0.06
Bad debts written off	209.10	-
Provisions for employee benefits	(13.17)	10.90
Depreciation and amortisation expense	147.77	272.19
Net foreign exchange effects	143.47	151.22
Interest income	(13.70)	(297.88)
Finance costs	435.68	2,537.00
Employee stock option plan amortisation cost	0.60	13.79
Interest on income tax written off	-	(9.75)
Profit/(loss) on Sale of Fixed Assets (Net)	-	(0.18)
Operating loss before working capital changes	**(307.80)**	**(574.91)**
Decrease in trade receivables, loans, other financial assets and other assets	513.02	1,577.10
(Increase)/decrease in inventories	(1.59)	56.75
(Increase)/decrease in bank balances other than cash and cash equivalents (restricted bank deposits)	(12.93)	14.98
Decrease in trade and other payables, other financial liabilities, other liabilities and provisions	(405.08)	(361.05)
Net Cash (used in)/generated from operations	**(214.38)**	**712.87**
Taxes refund	60.44	32.28
Net cash (used in)/generated from operating activities (A)	**(153.94)**	**745.15**
Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets (including capital work-in-progress)	(0.36)	(137.98)
Proceeds from Sale of fixed assets	-	0.24
Proceeds from sale of investment in subsidiaries	-	163.39
Interest received	12.21	8.03
Net cash generated from investing activities (B)	**11.85**	**33.68**
Cash flows from financing activities		
Promoter contribution received (including debt and equity component of compounded financial instruments)	-	30.00
Repayment of non-current borrowings	-	(307.17)
Payment of dividend (including dividend tax)	(0.47)	(0.38)
Interest on borrowings	(62.39)	(648.91)
Proceeds of current borrowings (net of repayment)	4.60	217.36
Net cash used in financing activities (C)	**(58.26)**	**(709.10)**
Net (decrease) in cash and cash equivalents (A+B+C)	**(200.35)**	**69.73**
Opening cash and cash equivalents	385.98	316.25
Closing cash and cash equivalents	**185.63**	**385.98**

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

EDUCOMP SOLUTIONS LIMITED ★ NEW DELHI

Educomp Solutions Limited
Statement of Cash Flows for the year ended March 31, 2018
(All amount in Rs. million unless otherwise stated)

Notes:

Reconciliation of components of cash and cash equivalents	**Year Ended March 31, 2018**	**Year Ended March 31, 2017**
Balances with banks-on current accounts (Refer note 6.5)	185.58	380.21
Cash on hand (Refer note 6.5)	0.05	0.62
Cheques/draft on hand (Refer note 6.5)	-	5.15
	185.63	**385.98**

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 Cash flows.

	Year Ended March 31, 2018	**Year Ended March 31, 2017**
Net debt including interest accrued - Opening balance	27,902.51	26,489.03
Proceeds from non-current borrowings (including current maturities)	-	30.00
Repayment of non-current borrowings (including current maturities)	-	(307.17)
Proceeds/(repayment) of current borrowings	4.60	217.36
Interest expenses	409.75	2,433.46
Interest paid	(62.39)	(648.91)
Non cash adjustments	36.17	(311.26)
Net debt including interest accrued - closing balance	**28,290.64**	**27,902.51**

Note: Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
Summary of significant accounting policies 2

As per our report of even date.

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

Kunj B. Agrawal
Partner
Membership No.: 095829

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Place: New Delhi
Date: March 11, 2021

For and on behalf of Board of Directors of
Educomp Solutions Limited

Mahender Kumar Khandelwal
Resolution Professional
Regn. No IBBI/IPA-001/IP-P00033/2016-17/10086

Place: New Delhi
Date: March 11, 2021

EDUCOMP SOLUTIONS LIMITED NEW DELHI

1. Background

(a) Educomp Solutions Limited (the Company) was founded in September, 1994. The Company is engaged in providing end-to-end solutions in the education technology domain through licensing of digital content, solutions for bridging the digital divide (a government initiative to enhance computer literacy), professional development and retail & consulting initiatives. The Company's business can be categorised into four strategic business units namely School Learning Solutions (comprising of Smart Class & Edureach (ICT) business), K-12 Schools (comprising preschools & high schools), Higher Learning Solutions (comprising of vocational, higher education and professional development) and Online, Supplemental & Global business (comprising of internet based educational services and coaching) spreading education ecosystem. The Company is listed on the BSE and the NSE Stock Exchanges.

(b) On May 30, 2017, the Company's application for Corporate Insolvency Resolution Process ("CIRP") under the provisions of Insolvency & Bankruptcy Code, 2016 ("IBC"), has been approved by the Hon'ble National Company Law Tribunal ("NCLT"), and accordingly CIRP proceedings have been initiated in case of the Company (for details refer note 2(a)). As per the provisions of the IBC, under CIRP, the RP is required to manage the operations of the Company as a going concern and accordingly, a resolution plan needs to be presented to and approved by the Committee of Creditors ("CoC") by a requisite majority (as per applicable provisions of the IBC at that time), and thereafter submission of the duly approved Resolution Plan to the Hon'ble NCLT for its approval.

Pursuant to initiation of CIRP, Ebix Singapore Pte. Ltd., submitted the resolution plan which was approved by the CoC consisting of all bankers of the Company on February 17, 2018 and accordingly the same was submitted with Hon'ble NCLT on March 07, 2018.

Subsequently, Ebix filed an application under Section 60(5) of IBC seeking withdrawal of its Resolution Plan. After multiple hearings, the application seeking withdrawal of Ebix's resolution plan was listed before the Principal Bench, the Hon'ble NCLT for the pronouncement of order on January 02, 2020. Vide Order dated January 02, 2020 passed by the Hon'ble NCLT, the withdrawal application of Ebix was allowed to the extent of granting leave to Resolution Applicant to withdraw the Resolution Plan pending approval u/s 30(6) before the Hon'ble NCLT with cost of Rs. 1 lakh to be paid by the Resolution Applicant into the corpus of the Corporate Debtor. Further, the Hon'ble NCLT, vide the same order, also granted 90 days-time commencing from November 16, 2019 to the RP and CoC to seek/expedite the possibility of achieving resolution of the stressed assets of the Corporate Debtor within such time of 90 days. Thereafter, the Hon'ble NCLT vide its Order dated January 03, 2020, dismissed the approval application as infructuous as a consequence of its order dated January 02, 2020 which allowed the withdrawal of the Resolution Plan by Ebix.

Thereafter, after discussions and deliberation in the CoC meetings, an appeal under Section 61 of Insolvency and Bankruptcy Code, 2016 against the Order of the Hon'ble NCLT dated January 02, 2020 (allowing withdrawal of Resolution Plan) and Order dated January 03, 2020 was filed with the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by CoC's legal Counsel. Multiple hearings took place in the Hon'ble NCLAT in the said matter. Further, due to lockdowns imposed by government authorities in view of the prevailing situation due to Covid-19, the Courts remained suspended till the month of May, 2020. The appeal was heard by the Hon'ble NCLAT on June 15, 2020 wherein the arguments made by CoC Counsel were heard in part and thereafter, the matter was adjourned to June 22, 2020 wherein the remaining submissions were made by the respective parties. Subsequently, On July 29, 2020, the appeal filed by COC was listed before Hon'ble NCLAT for the pronouncement of order. The Hon'ble NCLAT has allowed the appeal and has set aside the Hon'ble NCLT order dated January 02, 2020 in CA No. 1816(PB)/2019 in C.P.(IB)No. 101 (PB) 2017.

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

EDUCOMP SOLUTIONS LIMITED NEW DELHI ★

Thereafter, Ebix has challenged the final order and judgment dated July 29, 2020 before the Hon'ble Supreme Court of India by way of a civil appeal.

The question of law involved in Ebix's appeal is "Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC". Considering the issues similar to those involved in Ebix's Appeal have also been raised in the matters of Gujarat Urja Vikas Nigam Ltd vs. Amit Gupta and Ors. (Civil Appeal No. 9241 of 2020) and Kundan Care Products Limited vs. Amit Gupta (Civil Appeal No. 3560 of 2020), all the three matters have been kept together for hearing. The Gujarat Urja Vikas Nigam Ltd. matter was being heard first and arguments in the said matter (to be followed by the other two matters) which were part-heard as on February 3, 2021, February 4, 2021 and February 9, 2021. Subsequently, on February 10, 2021, the Hon'ble Court heard the Gujarat Urja Vikas Nigam Ltd. matter and wherein the order was pronounced on March 08, 2021 and the other two matters namely, Kundan Care matter and Educomp matter (E-bix Appeal) were adjourned for hearing on March 18, 2021.

The Ebix Appeal and other matters which have been kept together were listed for consideration before the Hon'ble Supreme Court on the following dates: October 7, 2020, November 5, 2020, November 27, 2020, December 3, 2020, January 19, 2021, January 28, 2021, February 2, 2021, February 3, 2021, February 4, 2021, February 9, 2021 and February 10, 2021.

The interim order (dated October 7, 2020 wherein the Hon'ble Supreme Court was pleased to issue notice in the Ebix Appeal) directing the stay on the further proceedings before the NCLAT in pending Co. Appeal No. 587 of 2020 ("Second Appeal"), continues to remain in operation pending the hearing of the Ebix appeal. The Hon'ble Court has, however, made a categorical observation that the Appellant/Ebix shall not claim any equities arising out of the stay so granted.

The Hon'ble Supreme Court has also extended the stay (issued vide order dated 07.10.2020) on the NCLAT proceedings (Co. Appeal No. 587 of 2020/Second Appeal) till the next date of hearing.

The Ebix Appeal/other matters are next listed before the Hon'ble Supreme Court on March 18, 2021.

(c) Moratorium period

The Hon'ble NCLT vide its letter dated May 30, 2017 has declared the moratorium period as per the provision of section 13 (1) (a) of the Insolvency Code which is further extended to February 24, 2018. As the Resolution Plan is under consideration by Hon'ble NCLT therefore the moratorium period continue to be in effect till conclusion of the CIRP process.

As per section 14 of the IBC, under the moratorium period, the Company ("Corporate debtor") is prohibited for the following activities:

(a)the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority; (b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; (c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; (d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

EDUCOMP SOLUTIONS LIMITED NEW DELHI

2A. Basis for preparation

(a) Statement of compliance

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

These financial statements for the year ended 31 March 2018 are the financial statements that are prepared in accordance with Ind AS.

A corporate insolvency resolution process ("CIRP") has been initiated in case of the Company vide an Order of the Principal Bench of the National Company Law Tribunal ("NCLT") dated May 30, 2017 under the provisions of the Insolvency and Bankruptcy Code, 2016 ("Insolvency Code"). (for details refer note 1(b)). Pursuant to the Order, the management of the affairs of the Company and powers of board of directors of the Company are now vested with the Resolution Professional ("RP"), who is appointed by the Committee of Creditors ("CoC"). These standalone financial statements for the year ended March 31, 2018 have been prepared by the Company, the RP and his team. In view of the legal opinion received by the RP from a legal firm, the Financial Statements have been approved by the RP and presented to the auditors for their report thereon. The relevant extract of the opinion given by the legal firm is reproduced below:

"….. *the RP in the present matter may sign the financial statements of the Corporate Debtor in terms of the provisions of the Code, Companies Act, 2013 and the Circular. However, we suggest that a disclaimer be inserted by the RP while signing the financial statements of the Corporate Debtor expressly stating that since the powers of the board of directors have been suspended and there is no CFO or Company Secretary appointed by the Corporate Debtor, therefore, the financial statements are being prepared and signed by the RP in terms of his duties as envisaged under Section 17 of the Code.* "

The erstwhile CMD Mr Shantanu Prakash has also sought an opinion from a Legal firm, which is reproduced below:

"*As regards signing the financial statements, it is pertinent to note that the financial statements are signed* ***"on behalf of the Board of Directors"****. Since, during a CIRP, the Board of Directors stands suspended, therefore, there can be no signing on behalf of the board of directors. However, the RP being vested with the powers of the Board of Directors can himself sign the financial statements of the Corporate Debtor* "

In view of the above opinion, and the fact that the Company Secretary and Chief Financial Officer of the Company are not in place on the date of signing of these Financial Statements, the RP has relied upon the assistance provided by the members of the erstwhile board of directors and the employees of the Company, and certification, representation and statements made by the erstwhile management of the Company in relation to preparation of these financial statements.

Accordingly, these standalone financial statements of the Company for the year ended March 31, 2018 have been approved by the RP on March 11, 2021 on the basis of and relying on the aforesaid certifications, representations and statements of the erstwhile management of the Company.

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

EDUCOMP SOLUTIONS LIMITED NEW DELHI

(b) **Historical cost convection**

The financial statements have been prepared under the historical cost convention on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

(c) The Company, has incurred substantial losses, its net worth has been completely eroded, has defaulted in repayment of its loans and related interest, has negative working capital and has applied under the IBC for CIRP. All these conditions has raised substantial doubt about the Company's ability to continue as a going concern.

The management is of the view that the Company has been able to fund its operational liabilities from its internal accrual of funds till the date of this balance sheet and is also confident that the Company is having sufficient fund balance to continue as going concern till March 31, 2021. Further, the management is also confident to agree on a resolution plan/business revival plan for the Company during this ongoing CIRP process. Accordingly, the financial statements have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

(d) **Functional currency:**

The financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Company as functional currency is the currency of the primary economic environment in which the entity operates.

(e) **Rounding off**

All the amounts have been rounded off to nearest millions or decimal thereof, unless otherwise indicated. The sign '0.00' in these financial statements indicates that the amounts involved are below INR ten thousand and the sign '-' indicates that amounts are nil.

(f) **Current/Non-current classification of assets/liabilities**

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to The Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities. However, operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business.

2B. Summary of significant accounting policies

a) Segment reporting

Identification of segments:
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's operating businesses are organized and managed separately in according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

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The board of directors of the Company along with the chief financial officer assesses the financial performance and position of the Company, and makes strategic decisions. They together have been identified as being the chief operating decision maker.

Intersegment transfers:

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common cost

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment and include interest expense and income tax.

Segment accounting policy

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

b) Property, Plant and Equipment

Freehold land is carried at historical cost. Other property, plant and equipment are stated at cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Where cost of a part of the asset is significant to the total cost of the asset and the useful life of the part is different from the remaining asset, then useful life of that part is determined separately and accounted as separate component.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Losses arising from the retirement of, and gain or losses arising from disposal of tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the Statement of Profit and Loss.

c) Intangible assets

An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.

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Cost of an internally generated asset comprises of all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make the asset ready for its intended use.

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

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment loss.

d) Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects are carried at cost. Cost includes related acquisition expenses, development costs, borrowing costs (wherever applicable) and other direct expenditure.

e) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation on all property, plant and equipment is charged to income on a straight line and diminishing basis upto 95% of the total cost of the asset over the useful life of assets as estimated by the management.

Pursuant to the notification of Schedule II of the Companies Act, 2013, by the Ministry of Corporate Affairs, effective 1 April 2014, the management has reassessed and revised wherever necessary the useful lives of the assets, so as to align them with the ones prescribed under schedule II of the Companies Act, 2013. Management reviews the method and estimations of residual values at each financial yearend.

The useful lives estimated by the management are as follows:

Particulars	Useful life (years)
Building*	60
Furniture and fixtures	5-10
Office equipment	5
Vehicle	8
Computer equipment	3
Computer software	6

*The Management has assessed the estimate of useful life of the Electrical and External work 24 year and 15 year respectively.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are ready to use. Depreciation on sale / deduction from fixed assets is provided for upto the date of sale, deduction, discernment as the case may be.

Cost of leasehold improvements is charged to income on a straight line basis over the period of lease, being the useful life of leasehold improvements, whichever is shorter.

Amortization on the intangible assets is provided on pro-rata basis on the straight-line method based on management's estimate of useful life, i.e. 3 years for software and 4 years for knowledge-based content. Licensed intangible assets are amortised over the period of license or expected useful life, whichever is shorter.

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Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the company and revenue can be reliably measured.

The Company derives its revenue from sale, supply and installation of educational products and rendering of educational services.

Revenue from sale of educational products including technology equipments are recognised as and when significant risk and rewards of the ownership of goods gets transferred to the buyer.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties, if any.

Revenue under Build, Own, Operate and Transfer ("BOOT model") contracts is recognized on upfront basis in the statement of profit and loss on the initiation of the contracts. These contracts are considered and evaluated as per Appendix "C" to IND AS 17. Also, refer note 2B.l of the significant accounting policies.

Revenue from educational support services are recognised in the accounting period in which services are rendered.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

g) Investment and other financial assets

g.1.Classification

The Company classifies its financial assets in the following measurement categories:

i. those to be measured at fair value (either through other comprehensive income, or through profit or loss),
ii. those measured at amortized cost; and
iii. Investment in equity of subsidiaries, joint ventures and associates are accounted and carried at cost less impairment in accordance with Ind AS 27.

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

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

g.2. Initial Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

g.3. Subsequent Measurement:

g.3.1 Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost:

Assets that are held for collection of contractual cash flows with specified dates and where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through statement of profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

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g.3.2 Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries/ joint ventures/associates

Investments are carried at cost less accumulated impairment losses, if any Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

g.4. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carries at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

g.5. Derecognition of financial asset

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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h) Financial Liabilities

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

The fair value of the liability portion of optionally convertible bonds is determined using a market interest rate for equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings, where there is an change in the terms of the agreements whether monetary, non-monetary or both shall be accounted for as an modification or an extinguishment of the original financial liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in the statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the operating cycle of the business. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, if any.

Financial Guarantee Contracts

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

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Derecognition

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

i) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost of inventories comprises all cost of purchases inclusive of custom duty (except the refundable component) and other incidental expenses incurred in bringing such inventories to their present location and condition. In determining the cost, moving weighted average cost method is used. Net realisable 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. The comparison of cost and net realizable value is made on item by item basis.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

k) Income taxes

Income tax expense for the year comprises of current tax and deferred tax. Income 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 and Regulatory Assets, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities arising on the temporary differences and to unused tax losses.

Current tax

Calculation of current tax is based on tax rates applicable for the respective years on the basis of tax law enacted or substantially enacted at the end of the reporting period. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid/un-recovered at the reporting date. Current tax is payable on taxable profit, which differs from the profit or loss in the financial statements. Current tax is charged to statement of profit and loss. Provision for current tax is made after taking in to consideration benefits admissible under Income Tax Act, 1961.

Deferred taxes

Deferred income taxes are calculated, without discounting using the balance sheet method on temporary differences between the carrying amounts of assets and liabilities and their tax bases using the tax laws that have been enacted or substantively enacted by the reporting date. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a

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business combination or affects tax or accounting profit. Tax losses available to be carried forward and other income tax credits available to the entity are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax arising during the holiday period is not recognised to the extent that the management expects its reversal during holiday period.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating income at each reporting date.

Deferred tax assets and liabilities are offset only when the entity has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Minimum Alternative Tax (MAT)

Minimum alternate tax credit entitlement paid in accordance with tax laws, which gives rise to future economic benefit in form of adjustment to future tax liability, is considered as an asset to the extent management estimates its recovery in future years.

l) **Leases**

Operating lease

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

Where the Company is lessee:

Lease rentals in respect of operating lease arrangements including assets taken on operating lease are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term.

Where the Company is lessor:

Lease income on an operating lease arrangement is recognized in the Statement of Profit and Loss on straight line basis over the lease term.

Finance lease

Where the Company is lessee

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

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

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor:

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

m) Foreign exchange transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary item, which are measured in terms of historical cost denomination in a foreign currency, are reported using the exchange rate at the date of transaction. Except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Monetary assets and liabilities outstanding as at Balance Sheet date are restated at the rate of exchange ruling at the reporting date.

Exchange difference

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous Financial Statements (other than those relating to fixed assets and other long term monetary assets) are recognised as income or as expenses in the year in which they arise.

n) Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

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For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

o) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 Company or the counterparty.

p) Share-based payment

The Company operates equity-settled share-based remuneration plans for its employees, where persons are rewarded using share-based payments, the fair values of services rendered by employees and others are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised using the Black Scholes model.

In the case of employees and others providing similar services, the fair value is measured at the grant date. In the case of franchisees, consultants and investors the fair value is determined as services are received, using average fair values during each year. The fair value excludes the impact of non-market vesting conditions.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable.

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Upon exercise of share options, the proceeds received up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as additional paid-in capital.

q) Borrowing Cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

r) Contingent liabilities, contingent assets and provisions

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

Contingent Assets

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

Provisions

A provision is recognized when the Company has a present obligation or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

All repairs and maintenance cost of hardware sold under the contracts during the remaining contract period is borne by the Company on the basis of experience of actual cost incurred in servicing such hardware during the previous financial year. Provision are not recognised for future operating losses.

Provisions are discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain and the amount of recovery can be measured reliably. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

s) Equity and Reserves

Share capital represents the nominal value of shares that have been issued.

Proceeds received in addition to the nominal value of the shares issued during the year have been included in "additional paid-in capital".

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t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issued to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.

u) 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

v) Employee benefits

Short term employee benefits

Short term benefits comprise of employee costs such as salaries, bonuses, and accumulated absents are accrued in the year in which the associated services are rendered by employees of the Company 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.

Other long term employee benefits

The liabilities for accumulated absents are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields of Indian Government at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, pension, post-employment medical plans; and

(b) defined contribution plans such as provident fund.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period

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less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Defined contribution plan
A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government. The entity has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution.

Contributions to Provident Fund, Labour Welfare Fund and Employee State Insurance are deposited with the appropriate authorities and charged to the Statement of Profit and Loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions.

w) Exceptional items

Items of income or expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprises for the period, are disclosed separately in the Statement of Profit and Loss.

x) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

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The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

y) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

(i) Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 – Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard with all related amendments to all contracts with customers retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Under this transition method, cumulative effect of initially applying Ind AS 115 is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period. The standard is applied retrospectively only to contracts that are not completed contracts at the date of initial application. The Company is evaluating the requirements of Ind AS 115 and has not yet determined its impact on the financial statements.

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(ii) Appendix B to Ind AS 21, foreign currency transactions and advance consideration

The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts. For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognizes the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability). If there are multiple payments or receipts for one item, date of transaction should be determined as above for each payment or receipt. Management is currently evaluating the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance.

(iii) Amendements to IND AS 12, Income Taxes clarifying the requirements for recognising deferred tax assets on unrealised losses.

The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets. These amendments only clarify the existence guidance of IND AS 12 and do not change the underlying principles for recognition of deferred tax asset.

aa) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

- Estimated useful life of property, plant and equipment and intangible asset

  The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.
  The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and intangible asset and changes, if any, are adjusted prospectively, if appropriate

- Recoverable amount of property, plant and equipment

  The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

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- Estimation of defined benefit obligation

  Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

- Recognition of deferred tax assets for carried forward tax losses and current tax expenses

  The Company review carrying amount of deferred tax assets and Liabilities at the end of each reporting period. The policy for the same has been explained under Note No 2(k).

- Provision for warranty

  Provision for warranty-related costs are recognised when the product is sold or services provided to the customers. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

- Going concern

  When preparing financial statements, management make an assessment of an entity's ability to continue as a going concern. Financial statements prepared on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, those uncertainties shall be disclosed.

- Impairment of trade receivables

  The Company review carrying amount of Trade receivable at the end of each reporting period and Provide for Expected Credit Loss. The policy for the same explained in the Note No.2 (g) (4).

- Fair value measurement

  Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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Note 3 Property plant and equipment

Particulars	Current year								
	Gross carrying amount				Accumulated depreciation				Net carrying amount
	Balance as at April 01, 2017	Additions	Disposals	Balance as at March 31, 2018	Balance as at April 01, 2017	Depreciation for the year	On disposals	Balance as at March 31, 2018	Balance as at March 31, 2018
Freehold land	8.93	-	-	8.93	-	-	-	-	8.93
Building	84.23	-	-	84.23	7.40	3.54	-	10.94	73.29
Leasehold improvements	1.54	-	-	1.54	1.17	0.35	-	1.52	0.02
Office equipment	18.47	0.28	-	18.75	8.36	2.78	-	11.14	7.61
Furniture and fixtures	11.25	-	-	11.25	4.93	1.73	-	6.66	4.59
Computers and equipment	20.79	0.08	-	20.87	8.36	4.42	-	12.78	8.09
Vehicles	0.51	-	-	0.51	0.27	0.03	-	0.30	0.21
Sub total	**145.72**	**0.36**	**-**	**146.08**	**30.49**	**12.85**	**-**	**43.34**	**102.74**

Particulars	Previous year								
	Gross carrying amount				Accumulated depreciation				Net carrying amount
	Balance as at April 01, 2016	Additions	Disposals	Balance as at March 31, 2017	Balance as at April 01, 2016	Depreciation for the year	On disposals	Balance as at March 31, 2017	Balance as at March 31, 2017
Freehold land	8.93	-	-	8.93	-	-	-	-	8.93
Building	78.77	5.46	-	84.23	3.75	3.65	-	7.40	76.83
Leasehold improvements	0.80	0.74	-	1.54	0.23	0.94	-	1.17	0.37
Office equipment	11.68	6.79	-	18.47	5.66	2.70	-	8.36	10.11
Furniture and fixtures	8.54	2.71	-	11.25	2.72	2.21	-	4.93	6.32
Computers and equipment	11.71	9.18	0.10	20.79	4.87	3.53	0.04	8.36	12.43
Vehicles	0.51	-	-	0.51	0.18	0.09	-	0.27	0.24
Sub total	**120.94**	**24.88**	**0.10**	**145.72**	17.41	**13.12**	**0.04**	**30.49**	**115.23**

3.1 The Company's fixed assets are part of security for various loan availed. As per Master restructuring agreement (MRA), the Company shall not sell any of its fixed assets save and except Identified Assets and Shares as permitted in terms of Approved Corporate debt restructuring (CDR) Package, without prior recommendation of Monitoring Committee and approval of CDR-EG. However, the Company may sell its non-core assets, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

3.2 The management has physically verified the fixed assets lying only at Corporate Office location Gurgaon on October 23, 2020. The offices at other locations of the company have been shutdown due to liquidity and business constraints and the assets lying at these locations, carrying value of Rs. 17.36 million, have been shifted to the warehouse at Mahipalpur (New Delhi) and Chennai which could not be physically verified by the management.

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Note 4 Other intangible assets

Particulars	Current year								
	Gross carrying amount				Accumulated depreciation				Net carrying
	Balance as at April 01, 2017	Additions	Disposals	Balance as at March 31, 2018	Balance as at April 01, 2017	Depreciation for the year	On disposals	Balance as at March 31, 2018	Balance as at March 31, 2018
Software	3.09	-	-	3.09	1.12	0.95	-	2.07	1.02
Knowledge-based content (refer note i)	831.85	-	-	831.85	564.48	133.97	-	698.45	133.40
Sub total	834.94	-	-	834.94	565.60	134.92	-	700.52	134.42

Particulars	Previous year								
	Gross carrying amount				Accumulated depreciation				Net carrying
	Balance as at April 01, 2016	Additions	Disposals	Balance as at March 31, 2017	Balance as at April 01, 2016	Depreciation for the year	On disposals	Balance as at March 31, 2017	Balance as at March 31, 2017
Software	1.46	1.63	-	3.09	0.56	0.56	-	1.12	1.97
Knowledge-based content (refer note i)	719.20	112.65	-	831.85	305.97	258.51	-	564.48	267.37
Sub total	720.66	114.28	-	834.94	306.53	259.07	-	565.60	269.34

Note (i) Knowledge based content includes internally generated asset:

	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	Opening balance	Additions	Disposals	Closing balance	Opening balance	Depreciation during the year	On disposals	Closing balance	Closing balance
For the year ended March 31, 2018	447.31	-	-	447.31	354.37	51.43	-	405.80	41.51
For the year ended March 31, 2017	447.31	-	-	447.31	213.52	140.85	-	354.37	92.94

Note The Company's fixed assets are part of security for various loan availed. As per MRA, the Company shall not sell any of its fixed assets save and except Identified Assets and Shares as permitted in terms of Approved CDR Package, without prior recommendation of Monitoring Committee and approval of CDR-EG. However, the Company shall sell its non-core assets, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

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Note 5 Capital work-in-progress

	2017-18				2016-17			
	Balance as at April 01, 2017	**Additions**	**Capitalised during the year / written off**	**Balance as at March 31, 2018**	**Balance as at April 01, 2016**	**Additions**	**Capitalised during the year**	**Balance as at March 31, 2017**
Capital work-in-progress	49.96	-	0.81	49.15	51.13	139.37	140.54	49.96
Provision for Capital work-in-progress	(29.15)	-	-	(29.15)	(29.15)	-	-	(29.15)
Net block	**20.81**	**-**	**0.81**	**20.00**	**21.98**	**139.37**	**140.54**	**20.81**

5.1 Capital work-in-progress represent expenditure incurred in respect of capital projects and carried at cost.

5.2 The balance amount of CWIP as of March 31, 2018, pertains to the work performed on the basis of a contract with the Chhattisgarh government. The Company has completed the work on certain schools but progress payment has not been received as per the Contract. The Company has initiated arbitration proceedings against the Directorate of Public Instruction, Government of Chhattisgarh, Raipur by appointing an Arbitrator invoking arbitration clause of Agreement dated January 27, 2011. The claim filed by the Company before the Arbitrator was to recover the due amount along with the revocation of Bank Guarantee. After completion of Arbitration proceedings, the award was passed in favour of the Company vide order dated March 21, 2017.

In order to execute the award, the Company has filed an execution case under section 36 of the Arbitration Act before a commercial court. The Directorate of Public Instruction, Government of Chhattisgarh, Raipur appeared before the court and is contesting the case. The matter is now listed on March 18, 2021.

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Note **6.1 Non-current investments**

Particulars	Number of shares/units as at March 31, 2018	Number of shares/units as at March 31, 2017	Face value	Proportion of the ownership interest March 31, 2018	Proportion of the ownership interest March 31, 2017	As at March 31, 2018	As at March 31, 2017
Investments at cost (Un-quoted)							
a) Investment in subsidiaries in equity instruments							
Wheitstone Productions Private Limited	85,899	85,899	Rs. 10	51.00%	51.00%	3.35	3.35
Less: Provision for impairment of investment (refer note 22)						(3.35)	(3.35)
Savvica Inc., Canada	3,503,522	3,503,522	CAD 1	79.55%	79.55%	150.72	150.72
Less: Provision for impairment of investment (refer note 22)						(150.72)	(150.72)
Edumatics Corporation Inc, United States of America (refer note 6.1.2)	1,366,092	1,366,092	USD 1	100.00%	100.00%	62.09	62.09
Less: Provision for impairment of investment (refer note 22)						(62.09)	-
Educomp Learning Private Limited (refer note 6.1.2)	53,550	53,550	Rs. 10	51.00%	51.00%	1.96	1.96
Educomp Infrastructure & School Management Limited (refer note 6.1.3 and 6.1.7)	26,726,448	26,726,448	Rs. 10	83.38%	83.38%	10,427.45	10,427.45
Less: Provision for impairment of investment (refer note 22)						(10,427.45)	-
Educomp School Management Limited (refer note 6.1.2)	34,000	34,000	Rs. 10	68.00%	68.00%	50.00	50.00
Less: Provision for impairment of investment (refer note 22)						(42.29)	-
Educomp Asia pacific Pte Ltd., Singapore (refer note 6.1.2)	24,085,351	24,085,351	USD 1	100.00%	100.00%	1,220.51	1,220.51
Less: Provision for impairment of investment (refer note 22)						(1,220.51)	(1,220.51)
Educomp Professional Education Limited (refer note 6.1.2)	4,284,095	4,284,095	Rs. 10	100.00%	100.00%	2,960.09	2,960.09
Less: Provision for impairment of investment (refer note 22)						(2,511.17)	-
Educomp Intelliprop Ventures Pte Limited, Singapore (refer note 6.1.6)	1,198,755	1,198,755	SGD 1	100.00%	100.00%	39.30	39.30
Less: Provision for impairment of investment (refer note 22)						(39.30)	-
Educomp Online Supplemental Services Limited (refer note 6.1.2)	904,056	904,056	Rs. 10	24.72%	24.72%	14.56	14.56
Less: Provision for impairment of investment (refer note 22)						(14.56)	(14.56)
Educomp Online Supplemental Services Limited - ₹ 5 paid up	4,351,675	4,351,675	Rs. 10	59.49%	59.49%	502.62	502.62
Less: Provision for impairment of investment (refer note 22)						(502.62)	(502.62)
Educomp Investment Management Limited (refer note 6.1.2)	689,045	689,045	Rs. 10	100.00%	100.00%	7.32	7.32
Less: Provision for impairment of investment (refer note 22)						(7.32)	-
Educomp Global Holding W.L.L, Kingdom of Bahrain (refer note 6.1.2)	2,475	2,475	BHD 100	100.00%	100.00%	29.61	29.61
Less: Provision for impairment of investment (refer note 22)						(29.61)	-
Educomp Global FZE, United Arab Emirates (refer note 6.1.2)	1	1	AED 100,000	100.00%	100.00%	1.46	1.46
Less: Provision for impairment of investment (refer note 22)						(1.46)	-
Vidya Mandir Classes Private Limited (refer note 6.1.4)	39,088	-	Rs. 10	53.69%	-	277.97	-
Less: Provision for impairment of investment (refer note 22)						(249.17)	-
8% Cumulative Redeemable Non-convertible Preference Shares, in Edu Smart Services Private Limited (Equity component) (refer note 6.1.5)	-	-	-	-	-	394.18	394.18
Less: Provision for impairment of investment (refer note 22)						(394.18)	-
b) Investment in associates in equity shares							
Greycells 18 Media Limited(refer note 6.1.2)	2,999,749	2,999,749	Rs. 10	25.78%	25.78%	159.91	159.91
Less: Provision for impairment of investment (refer note 22)						(159.91)	-
Little Millenium Education Private Limited (refer note 6.1.2)	16,110,239	16,110,239	Rs. 10	48.29%	48.29%	161.10	161.10

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c) Investment in subsidiaries in preference shares							
0% Redeemable optionally fully convertible Preference shares, in Educomp Infrastructure & School Management Limited (refer note 6.1.7)	79,857	79,857	Rs. 1000	83.38%	83.38%	79.86	79.86
Less: Provision for impairment of investment (refer note 22)						(79.86)	-
0.10% Non Cumulative optionally convertible Preference shares in Educomp Infrastructure & School Management Limited (refer note 6.1.7)	20,327	20,327	Rs. 100	83.38%	83.38%	347.33	347.33
Less: Provision for impairment of investment (refer note 22)						(347.33)	-
0.10% Non Cumulative optionally convertible Preference shares in Educomp Professional Education Limited	1,150,772	1,150,772	Rs. 10	100.00%	100.00%	269.98	269.98
8% Cumulative Redeemable Non-convertible Preference Shares, in Edu Smart Services Private Limited (Financial Liability portion) (refer note 6.1.5)	4,500,000	4,500,000	Rs. 100			121.72	121.72
Less: Provision for impairment of investment (refer note 22)						(121.72)	-
Net value of investments (Unquoted Investments)						**918.46**	**15,113.36**
Aggregate value of provision for diminution in value of investments (refer note 22)						**(16,364.63)**	**(1,891.76)**

6.1.1 Aggregate amount of quoted investments at market and carrying value Rs. Nil (March 31, 2017 Rs. Nil)

6.1.2 Shares are earmarked as per terms of Master Restructuring Agreement (MRA) pursuant to CDR. (Refer note 12 (1)(e)(x)).

6.1.3 51% shares are pledge to FCCB & ECB lenders and balance shares earmarked to CDR lenders of EISML. (Refer note 12 (i)).

6.1.4 During the previous year ended March 31, 2017, pursuant to a negotiated settlement entered into with ICICI Bank, the Company has divested its entire shareholding in Vidya Mandir Classes Limited (VMCL) (being 67% shareholding in VMCL), a subsidiary of the Company. In accordance with the share sale agreement, the Company has transferred the control in VMCL to the buyer. However, pending receipt of full consideration, the shares of VMCL proportionate to outstanding consideration continue to be in the name of the company and were held 'in trust'. These shall be transferred on a pro-rata basis as the consideration is received.
Based on the subsequent information, the Purchaser has not exercised such rights till the exercise lapse date i.e. March 31, 2019. Accordingly, the transaction is not enforceable now. Consequently, the transaction of sale of Tranche B shares (53.69% shareholding) recorded in previous year has been reinstated during the year and the related consideration of Rs. 602.43 million shown as recoverable as at March 31, 2017 has been reversed. (also refer note 22.3)

6.1.5 The Company has a controlling power on Edu Smart Services Private Limited by virtue of Ind AS 110. The difference between the coupon rate and the market rate has been considered as investment in equity and is being valued at cost by virtue of Ind AS 27. The Company has valued the debt component in the investments at amortised cost as per Ind AS 109.

6.1.6 These investments are pledged against loan taken by the subsidiary companies.

6.1.7 Educomp Infrastructure & School Management Limited ("EISML") is under CIRP under the Insolvency Code. The Committee of Creditors in September 2019 approved a resolution plan for EISML, Accordingly, the Resolution Professional of EISML on October 10, 2019 filed an application for the approval of Resolution Plan at NCLT, Chandigarh which has been approved on December 14, 2020. As per the approved resolution plan shareholders are not entitled to any proceeds of the resolution plan.

6.1.8 As per MRA, the Company shall not sell any of its investments save and except Identified Assets and Shares as permitted in terms of approved CDR Package, without prior recommendation of Monitoring Committee and approval of CDR-EG. However, the Company shall sell its non-core assets including investments, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

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Note 6.2 Loans

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non current	Current	Non current	Current
Security deposits				
Unsecured, considered good	11.77	10.42	9.19	356.97
Unsecured, considered doubtful	-	342.78	-	1.35
Less: Provision for doubtful	-	(342.78)	-	(1.35)
Loans to employees				
Unsecured, considered good	-	16.33	-	26.57
Unsecured, considered doubtful	-	3.33	-	3.33
Less: Provision for doubtful	-	(3.33)	-	(3.33)
Earnest money deposit				
Unsecured, considered good	-	0.88	0.54	12.53
Unsecured, considered doubtful	-	9.93	-	9.93
Less: Provision for doubtful	-	(9.93)	-	(9.93)
Total	**11.77**	**27.63**	**9.73**	**396.07**

For explanation on the companies credit risk management refer note 25.

Note 6.3 Other financial assets

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non current	Current	Non current	Current
Considered good				
Lease receivables (refer note 33)	0.04	1.78	3.50	12.30
Margin money (refer (i) below)	6.59	-	0.79	-
Term deposit with bank more than 3 months maturity	0.03	-	2.13	-
Interest accrued but not due	0.23	0.53	0.06	0.37
Unbilled revenue	-	-	-	47.61
Receivable against corporate guarantee (refer note (ii) below)	-	-	-	223.82
Receivable against investment sold (refer note 6.1)	-	-	602.43	-
Considered doubtful				
Advances to related party (refer note (iv) below)	-	102.21	102.21	-
Receivable against corporate guarantee (refer note (ii) below)	-	258.19	-	-
Less: Allowance for bad & doubtful advances	-	(360.40)	-	-
Total	**6.89**	**2.31**	**711.12**	**284.10**

(i) Margin money deposit are given against borrowings, letter of credit and bank guarantees including to revenue authorities.
(ii) This receivable is recognised against the corporate guarantee given on behalf of Edu Smart Services Private Limited to a bank. Simultaneously a payable to the bank for the same amount is recognised as a liability against the guarantee given by the company. (refer note 12.3)

(iii) Advances to related parties include following:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non current	Current	Non current	Current
Advance call money to Subsidiary/Loan to subsidiary				
Educomp Online Supplemental Services Limited (EOSSL)	-	102.21	102.21	-
	-	**102.21**	**102.21**	**-**

(iv) For explanation on the Company's credit risk management, refer note 25.

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Note 6.4 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured	**Current**	**Current**
Considered good		
Trade receivable	2,649.80	3,101.75
Receivables from related parties - refer (i) below	10.64	7,134.67
Considered doubtful		
Trade receivable	3,950.14	4,178.31
Receivables from related parties - refer (i) below	9,776.46	2,651.50
Less: Allowance for doubtful debts (Also, refer note 36)	(13,726.60)	(6,829.81)
Total receivables	**2,660.44**	**10,236.42**

(i) Trade receivables from related parties comprise:	As at March 31, 2018	As at March 31, 2017
Particulars		
Receivables from subsidiaries		
Educomp Infrastructure & School Management Limited	0.09	0.09
Educomp School Management Limited	0.31	0.31
Educomp Learning Private Limited	0.14	-
Educomp Online Supplemental Services Limited	0.90	0.90
Savvica Inc. (provision for doubtful debts Rs. 5.49 million (March 31, 2017 Rs. 5.3 million))	5.49	5.30
Educomp software Limited	0.01	0.01
Edu Smart Services Private Limited (provision for doubtful debts Rs. 9,770.95 million (March 31, 2017 Rs. 2,646.20 million))	9,770.95	9,730.63
Receivables from associates		
Little Millenium Education Private Limited	0.26	0.26
Other related parties		
Learning Leadership Foundation	0.14	38.51
League India Education Foundation	8.79	8.79
Learning Link Foundation	-	0.14
Siya Ram Educational Trust (provision for doubtful debts Rs. 0.02 million (March 31, 2017 Rs. Nil))	0.02	-
Healthsetgo Services Private Limited	-	1.23
Total	**9,787.10**	**9,786.17**

(ii) For terms and conditions of transactions with related party refer note 28.

(iii) For explanation on the companies credit risk management refer note 25

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Note 6.5 Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Balance with banks		
- current account	185.58	380.21
Cash on hand	0.05	0.62
Cheques/drafts on hand	-	5.15
Total	**185.63**	**385.98**

Note 6.5 A Bank balances other than cash & cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Margin money (refer (i) below)	6.26	11.79
Term deposit with bank	21.03	-
Un-paid dividend	0.61	1.08
Total	**27.90**	**12.87**

(i) Margin money deposit given against borrowings, letter of credit and bank guarantees including to revenue authorities.

Note 7 Other non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Others		
Balance with government authorities	19.88	23.39
Prepaid expenses	3.19	1.17
Less: Provisions on balance with government authorities	(19.88)	(20.87)
Total	**3.19**	**3.69**

Note 8 Inventories (valued at lower of cost and net realisable value)

Particulars	As at March 31, 2018	As at March 31, 2017
Stock in trade		
Technology equipment	107.75	106.16
Less: Provision for obsolescence	(93.34)	(38.11)
Total	**14.41**	**68.05**

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Note 9 Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured considered good		
Advance to suppliers	5.88	23.48
Prepaid expenses	19.44	67.05
Balance with government authorities	19.82	15.83
Advance to Others (Refer note 9.1)	2.05	-
Unsecured considered doubtful		
Advance to suppliers (Refer note 9.1)	58.17	38.30
Less: Provision for doubtful advances	(58.17)	(38.30)
Total	47.19	106.36

9.1 Includes advances to related parties as follows:

Subsidiaries		
Advance to suppliers		
Educomp Investment Management Limited	0.91	0.91
Educomp Software Limited	0.86	0.86
Advance to Others		
Educomp Learning Private Limited	1.95	-
Education Quality Foundation of India	0.10	0.10
Total	3.82	1.87

9.2 For explanation on the companies credit risk management refer note 25.

Note 10 Equity share capital

	Particulars	As at March 31, 2018	As at March 31, 2017
a)	**Authorized shares**		
	200,000,000 (March 31, 2017: 200,000,000) equity shares of Rs. 2 each	400.00	400.00
b)	**Issued, subscribed and fully paid-up shares**		
	122,467,168 (March 31, 2017: 122,467,168) equity shares of Rs. 2 each fully paid up.	244.93	244.93
	Total	244.93	244.93

c) **Movement in equity share capital**

	Year ended March 31, 2018		Year ended March 31, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	122,467,168	244.93	122,467,168	244.93
Issued during the year	-	-	-	-
Outstanding at the end of the year	122,467,168	244.93	122,467,168	244.93

d) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except where interim dividend is distributed.

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

e) **Details of shareholders holding more than 5% equity shares in the Company**

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity shares of Rs. 2 each fully paid-up				
Mr. Shantanu Prakash	44,315,205	36.19%	44,315,205	36.19%
A.P Eduvision Private Limited	7,284,600	5.95%	7,284,600	5.95%

f) **Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

No equity shares has been issued by way of bonus shares during the financial years 2013-14 to 2017-18.
No equity shares fully paid up has been issued pursuant to contract(s) without payment being received in cash during the financial years 2013-14 to 2017-18.

No equity shares bought back pursuant to Section 68, 69 and 70 of the Act during the financial years 2013-14 to 2017-18.

g) **Share reserved for issue under option/contracts**

For details of shares reserved for issue on conversion of Zero Coupon Foreign Currency Convertible Bonds (refer note 12.1)
For details of shares reserved for issue on employee stock option, (refer note 31)
For details of shares reserved for issue to lender banks as per CDR scheme, (refer note 12.1 (e))

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Note 11 Other Equity

(a) Equity component of compound financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017
Equity component of compound financial instruments (Refer note (i) & (ii) below)	524.45	524.45
Total	**524.45**	**524.45**

(b) Reserves & Surplus (refer note 2 below)

Particulars	As at March 31, 2018	As at March 31, 2017
Security premium reserves	10,240.32	10,240.32
General reserves	1,120.72	1,061.39
Employee stock option scheme	3.52	62.25
Capital reserves	411.66	411.66
Retained earnings	(38,515.49)	(14,832.71)
Foreign currency monetary items translation difference account	(392.57)	(512.23)
Other comprehensive income	31.30	24.55
Total	**(27,100.54)**	**(3,544.77)**

(i) Movement of Other Equity

1. Equity component of compound financial instruments

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	524.45	502.72
Add: Additions During the year (refer note 12.1(c) & 12.1(d))	-	21.73
Total	524.45	524.45

(ii) Equity component of compound financial instruments

These are balance portion of the compound financial instruments that evidence a residual interest in the assets of the Company after deducting financial liability component.

2. Reserves & Surplus

(i) Securities Premium

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	10,240.32	10,240.32
Closing Balance	10,240.32	10,240.32

(ii) General reserve

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	1,061.39	1,033.28
Add: Employee stock compensation cost reversal on forfeiture	59.33	28.11
Closing Balance	1,120.72	1,061.39

(iii) Employee stock option outstanding account

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	62.25	76.57
Add: Employee stock compensation provided	0.60	13.79
Less: Employee stock compensation reversed	(59.33)	(28.11)
Closing Balance	3.52	62.25

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(iv) Capital Reserve

Particulars	Year ended March 31, 2017	Year ended March 31, 2017
Opening Balance	411.66	411.66
Closing Balance	411.66	411.66

(v) Retained Earnings

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	(14,832.71)	(10,077.12)
Add: Loss for the year	(23,682.78)	(4,755.59)
Closing Balance	(38,515.49)	(14,832.71)

(vi) Foreign currency monetary item translation difference account

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	(512.23)	(841.74)
Add: Addition during the year	(16.99)	119.54
Less: Amortisation during the year	136.65	209.97
Closing Balance	(392.57)	(512.23)

(vii) Other comprehensive income

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening Balance	24.55	0.23
Add: Addition during the year	6.75	24.32
Closing Balance	31.30	24.55

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Employee stock option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under different Employee stock option plans issued by the company. (refer note 31)

Capital Reserve

The Company on July 26, 2012 had allotted 11,479,096 warrants to Promoter Group Entity at an issue price of Rs. 193.74 per warrant, as per the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009, convertible into equal number of equity shares of the face value of Rs. 2/- each convertible within a period of 18 months from the date of allotment. The Company on January 22, 2013 had allotted 2,979,939 equity shares of face value of Rs. 2/- each at a premium of Rs. 191.74/- per share on conversion of warrants issued under provisions of Chapter VII Of SEBI (ICDR) Regulations, 2009. During the year 2013-14 the Company had forfeited 8,499,157 warrants amounting to Rs. 411.66 million, due to non receipt of balance 75% of the issue price in the stipulated period of 18 months from the date of issuance of these warrants. The forfeited amount is disclosed as 'Capital Reserve' under the 'Reserve & Surplus'.

Foreign currency monetary item translation difference account (FCMITDA)

The Company has a policy for the long-term foreign currency monetary items recognised in the financial statements on or before March 31, 2016 and the exchange difference on foreign currency loan (including FCCB) is accounted for by addition or deduction to the cost of the assets so far it relates to depreciable capital asset and in other cases by transfer to "Foreign Currency Monetary Items Translation Difference Account" (FCMITDA) to be amortized over the period of such foreign currency loans.

General reserve

This represents appropriation of profit by the Company and is available for distribution of dividend.

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Note 12.1 Borrowings

(a) Non-current borrowings

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
(i) Secured		
Bonds and debentures		
13.25%, 100 Non Convertible Debentures of Rs. 1,000,000 each	100.00	100.00
13.50%, 350 Non Convertible Debentures of Rs. 1,000,000 each	350.00	350.00
10 Zero Coupon Foreign Currency Convertible Bonds of $ 1,000,000 each (refer note (c) below)	866.15	848.46
Term loans		
from banks	17,142.55	17,142.55
from others-External Commercial Borrowings	4,553.57	4,538.70
(ii) Unsecured		
Loan from related parties (refer note (d) below)*	188.65	188.65
Loan from other parties	353.20	349.64
Less: Current maturities of long term borrowings (refer note 12.3)	(23,365.47)	(23,329.35)
Total	**188.65**	**188.65**

*Refer note 28 for terms and conditions of transaction with related parties
Refer note 12.1 (e) for details of security & terms of long term borrowings.

(b) Current borrowings

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
(i) Borrowings repayable on demand		
-- Working capital loans from banks -secured	1,191.47	1,186.87
(ii) Other Loans		
-- Loans from other parties- unsecured	12.00	12.00
Total	**1,203.47**	**1,198.87**

Refer note 12.1 (e) for details of security & terms of long term borrowings.

Liability component of compounded financial instruments

(c) Foreign Currency Convertible Bond (FCCB)

The Company had issued 10, zero coupon foreign currency convertible bonds of $ 1,000,000 each. These FCCB were convertible into equity shares based on the ratio calculated in accordance with the terms of offering circular dated July 13, 2012. The bonds were convertible latest by July 24, 2017 at initial conversion price of Rs. 188.62 for each equity share at the applicable exchange rate (fixed). As on March 31, 2018 USD 10 million (March 31, 2017 USD 10 million) FCCB remained outstanding for conversion into equity shares of Rs. 2 each. As the Company has filed for corporate insolvency and resolution process on May 30, 2017.

	As at March 31, 2018	**As at March 31, 2017**
Equity portion as at balance sheet date	50.03	50.03
Financial liability portion as on date (including 33.15% premium component)	866.15	848.46
	916.18	**898.49**

(d) Promoters contribution

The Promoters of the Company has provided interest free loans amounting Rs. 614.65 million to the Company which has been fair valued at amortised cost and the balance portion due to the control of the promoter over the company has been considered to be equity and has been valued at cost. The Company has not done any fair valuation during the year, as the Company has filed for corporate insolvency and resolution process on May 30, 2017.

	As at March 31, 2018	**As at March 31, 2017**
Equity component as on date	474.42	474.42
Financial liability component as on date	188.65	188.65
	663.07	**663.07**

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Note 12 (1)(e) Particulars of security, interest and terms of repayment of Loans

Particulars	Amount Outstanding as at		Terms of repayment	Security
	March 31, 2018	March 31, 2017		
Loan from Bank - CDR - Secured				
Term loan (a)	102.40	102.40	Repayment in 10 quarterly equal installments of Rs. 10.25 million commencing from quarter ended December 31, 2015 and ending in quarter ending 31 March 2018	-First pari passu charge on all fixed assets (movable and immovable) of the company, both present and future. - First pari passu charge on all the, intangible assets including without limitation computer software and knowledge based content, current assets, other non current assets and other receivables and unencumbered receivables of ESSPL, both present and future. - First charge on the borrower's bank accounts, including but not limited to Trust & Retention Account. - Pledge of all unencumbered shares held by the Promoters Group in company. - Pledge of all unencumbered shares held by company in various companies. - Pledge of all unencumbered shares of subsidiaries of the borrower held by Mr. Shantanu Prakash in the share capital of such subsidiaries. - Unconditional & irrevocable Personal Guarantees from Mr.Shantanu Prakash & Mr. Jagdish Prakash and Corporate Guarantee of ESSPL. - First pari-passu charge by way of mortgage of personal property of Mr. Shantanu Prakash situated at Residential Plot No. P-63, Sector 56, Gurgaon, Haryana.
Term loan (b)	216.39	216.39	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut off date i.e. April 01, 2013 commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 93.29 3-14 139.94 15-30 174.92	
Term loan (c)	309.85	309.85		
Term loan (d)	204.07	204.07		
Term loan (e)	62.72	62.72		
Working capital term loan	2,837.33	2,837.33		
Funded interest term loan - FITL	910.34	910.34		
Term loan (f)	2,813.00	2,813.00	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut off date i.e. April 01, 2013 commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 357.85 3-14 536.77 15-30 298.21	
Term loan (g)	4,550.00	4,550.00		
Term loan (h)	397.65	397.65		
Term loan (i)	1,960.00	1,960.00		
Term loan (j)	1,171.16	1,171.16		
Term loan (k)	947.83	947.83		
Working capital facility	1,191.47	1,186.87	Payable on demand	
Term loan (l)	300.00	300.00	Balance repayable up to quarter ending September 30, 2017.	- Sub-servient charge on the current assets of the Company. - Subservient charge on all current assets of Educomp Infrastructure & School Management Limited (EISML). - Personal guarantee of Mr. Shantanu Prakash
Term loan (m)	359.80	359.80	Repayable in 14 unequal quarterly installments commencing from quarter ended December 31, 2015 and ended in quarter ending March 31, 2019.	-First ranking pari passu charge on the entire current assets of the Company. -Second pari-passu charge over the fixed assets of the Company. -Personal guarantee of the Mr. Shantanu Prakash and Mr. Jagdish Prakash and equitable mortgage on one of the personal property of Mr. Shantanu Prakash.
Loan from Other - Secured				
Non Convertible Debentures	450.00	450.00	NCD aggregating Rs. 350.00 million and Rs. 100.00 million were issued on May 24, 2012 and July 20, 2012 respectively and are repayable at par on May 24, 2019 and July 20, 2019 respectively. Further, the investors have put option on May 24, 2017 and July 24, 2017, five years from their respective dates of issue.	- Pari-passu charge with the CDR lenders, without any preference or priority to one over the other or others. (The Company has created partial security on the assets of the Company and is taking necessary steps to create security in respect of these debentures.)
Foreign Currency Convertible Bonds (FCCB)- Debt component of compounded financial instrument	Refer note 12.1(c) above	Refer note 12.1(c) above	Refer note 12.1(c) above	Second charge on following assets - 51% of the fully paid up equity shares of EISML held by the Company.
External Commercial Borrowings (ECB)	4,553.57	4,538.70	Repayable in 11 half yearly equal installments of USD 6.36 million starting from January 15, 2016 and ending January 15, 2021.	First charge on following assets - 51% of the fully paid up equity shares of the EISML held by the Company.

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Particulars	Amount Outstanding		Terms of repayment	Security
	March 31, 2018	March 31, 2017		
Loan from others-unsecured				
From others - unsecured (a)	353.20	349.64	There are two loans to repayable in 26 & 45 unequal monthly installments as per their repayment schedules.	Not applicable
From others - unsecured (b)	12.00	12.00	Rs. 12.00 million is over due as on Balance Sheet date.	Pledge of shares of the Company held by Mr. Shantanu Prakash.
From others - unsecured (c)	Refer note 12.1(d) above	Refer note 12.1(d) above	Interest free loan repayable after final settlement date as per CDR MRA.	Not applicable

Note:
(i) Term loan (a) to (k), working capital term loan, funded interest term loan, working capital facility are at interest rate ranging from 10% to 13% p.a (March 31, 2017 10% to 13% p.a.)
(ii) Term loan (l) to (m) are at varying rate of interest ranging from 9% to 11% p.a. (March 31, 2017 9% to 11% p.a.)
(iii) Loans from other unsecured (a) and (b) are at varying rate of interest ranging from 12.50% to 18% p.a. (March 31, 2017 12.50% to 18% p.a.)
(iv) FCCB are zero coupon bonds and do not carry interest.
(v) ECB are at interest rate of 4.5% p.a.+LIBOR (March 31, 2017 4.5% p.a.+LIBOR)
(vi) Non Convertible Debentures are at interest rate ranging from 13.25% to 13.50% p.a. (March 31, 2017 13.25% to 13.50% p.a.)
(vii) Aggregate of loan amount guaranteed by promoter Mr. Shantanu Prakash and Mr. Jagdish Prakash Rs.18,334.03 million (March 31, 2017 Rs. 18,329.41 million)
(viii) Aggregate of loan amount guaranteed by Edu Smart Services Pvt. Ltd. Rs. 17,674.23 million (March 31, 2017 Rs. 17,669.62 million)
(ix) Working capital facility and loan from others unsecured (b) constitute short term borrowings.

(x) Corporate debt restructuring scheme
The Company executed the Master Restructuring Agreement (MRA)/other definitive documents on March 26, 2014 with the majority of its lenders banks, consequent to approval from Corporate Debt Restructuring Empowered Group (CDR-EG) to re-structure Company's existing debt obligations, including interest, additional funding and other terms (hereafter referred to as "the CDR Scheme").
As a part of the CDR Scheme, the promoters were required to contribute funds in accordance with letter of approval. As a consequence, the Company has received a contribution from its promoter amounting to Rs. 614.65 million as at March 31, 2018 (As at March 31, 2017 Rs. 614.65 million). The same has been received as interest free unsecured loan. Refer above loan from others - unsecured (c).

The MRA has been signed by all the lender banks and the Company has complied with all necessary conditions precedent. From April 01, 2013 (the "cut-off date"), the interest on the restructured debts has been recomputed and provided at the effective interest rates as per the CDR scheme on the balances as appearing in the books of account pending confirmations from various lenders. Accordingly, the interest payable to these banks has been recalculated in accordance with the CDR scheme. Considering the MRA have been signed by all the lender banks, the Company had accounted for CDR scheme (reclassifications and interest calculations) in the books for the year ended March 31, 2016 and March 31, 2015 as follows:

- (i) The rate of interest was changed and reduced to 11% with effect from April 01, 2013. The interest due with effect from April 01, 2013 till March 31, 2016 at revised rates amounting to Rs. 919.62 million in March 31, 2016 and Rs. 886.60 million in April 01, 2015 was converted into Funded Interest Term Loan (FITL (a)).
- (ii) The moratorium period for principle amount after restructure shall be 30 months from the cut off date of April 01, 2013.
- (iii) The CDR scheme envisages monetization of certain assets of the Company and its subsidiaries.
- (iv) The revised charge in favour of lenders as per the terms of MRA, is pending registration.

Pursuant to approved CDR scheme and in terms of Master Restructuring Agreement, the Company had acquired trade receivable of Edu Smart Services Private Limited (ESSPL). To acquire these receivables the Company had been granted loan by the CDR lenders. These receivables accrue to Edu Smart Services Private Limited under Tripartite agreement between, the Company, ESSPL and Schools/trust wherein in substance, the Company was key service provider. Towards settlement of rest of the consideration, the Company has adjusted its receivable from ESSPL. The Company took over these receivables to improve the recoverability and to provide uninterrupted services to these schools in future.

Pursuant to implementation of approved Corporate Debt Restructuring Scheme (CDR scheme), certain lenders have disbursed fresh corporate loans to the Company and corresponding trade receivables were bought from Edu Smart Services Private Limited (ESSPL) together with future business relating to this customers, as explained above. Due to this restructuring, the remaining receivables in ESSPL may not yield adequate surplus to discharge its liability towards the Company for trade receivables and redemption of redeemable non convertible preference shares. However, the approved CDR Scheme has mandated merger of ESSPL with the company and accordingly, the company has initiated the process and has taken the approval of Board of Directors in the board meeting held on January 13, 2015. The impact for the amalgamation shall be given/recorded in the books of accounts upon obtaining approvals and implementation of the Scheme.

Pursuant to MRA, the Company had committed default in payment or repayment of installments of principal amounts of the Restructured Loans, Corporate loans and/or the Additional Rupee Loan or interest thereon or any combination thereof, accordingly CDR Lenders, Corporate loan lenders and/or the Additional Rupee Lenders, at their discretion, have the right to convert at their option the whole of the outstanding amount or part of the defaulted amount into fully paid-up equity shares of the Company, but the lenders have not exercised the rights as at balance sheet date.

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(xi). Details of continuing default in repayment of loan or interest as at March 31, 2018 is given below:
a) Details of defaults of principal and interest for loans payable during the year.

FY 2017-18

	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	-	-	19,500.34	-
Interest	-	-	511.59	-
	-	-	20,011.93	-

FY 2016-17

	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	1,159.17	760.43	1,919.86	-
Interest	626.01	502.47	992.59	-
	1,785.18	1,262.91	2,912.45	-

b) Details of carrying amount of loans payable in defaults (including interest due) at the end of the year.

FY 2017-18

	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	-	-	19,500.34	5,068.61
Interest	-	-	511.59	3,021.46
	-	-	20,011.93	8,090.07

FY 2016-17

	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	1,159.17	760.43	1,919.86	1,229.14
Interest	626.01	502.47	992.59	958.74
	1,785.18	1,262.91	2,912.45	2,187.88

c) The above defaults are not remedied before the financial statements were approved.

*The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the borrowings at the reporting date.

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Note 12.2 Trade Payables

Particulars	As at March 31, 2018	As at March 31, 2017
Sundry creditors		
Trade Payables		
-due to micro and small enterprises (refer note 34)	9.89	7.90
-due to others	1,205.96	1,297.37
Trade Payables to Related Party*	40.43	21.75
Total	**1,256.28**	**1,327.02**
***Includes following related party trade payables (refer note 28)**		
DSK Legal	-	1.51
V. K. Dandona	-	0.20
Unnati Educational Trust	40.43	20.04
	40.43	**21.75**

*Refer note 28 for terms and conditions of transactions with related parties

Trade payables are generally due in 30-90 days and are non interest bearing. Accordingly, the carrying value of the same is considered as fair value.

Note 12.3 Other financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Current maturities of long term debts - ECB (refer note 12.1)	4,553.57	4,538.70
Current maturities of long term debts - FCCB (refer note 12.1)	866.15	848.46
Current maturities of long term debts - Term Loans(refer note 12.1)	17,142.55	17,142.55
Current maturities of long term debts - Non- Convertible Debentures (refer note 12.1)	450.00	450.00
Current maturities of long term debts - from other parties (refer note 12.1)	353.20	349.64
Payables against corporate guarantee (refer note 6.3)	258.19	223.82
Interest accrued and due*	3,533.05	3,079.82
Interest accrued but not due	-	105.82
Interest accrued and due to micro and small enterprises	5.62	-
Employee related payables	349.42	355.76
Security deposits	25.00	1.27
Unpaid dividend	0.61	1.08
Retention money	1.00	1.00
Total	**27,538.36**	**27,097.92**

Note 12.4: During the current year ended March 31, 2018, the interest on bank and other loans has been accrued upto the date of commencement of CIRP process i.e. May 30, 2017 and the interest for the remaining period which works out to be Rs. 2,167.83 million is not being provided.

Note 13 Provisions

	As at March 31, 2018		As at March 31, 2017	
Particulars	Non current	Current	Non current	Current
Provisions for employee benefits				
Provisions for gratuity (refer note 13.1 below)	7.74	4.06	31.66	1.18
Provisions for leave encashment (refer note 13.1 below)	1.15	0.57	0.56	2.36
Other Provisions				
Provisions for warranties (refer note 13.2 below)	-	-	-	261.14
Total	**8.89**	**4.63**	**32.22**	**264.68**

Note 13.1 Post employment benefits

(i) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Under its gratuity plan, every employee who has completed at least one year of service is entitled to gratuity on departure at 15 days of last drawn salary for each completed year of service.

(ii) Leave encashment

The employees are entitled for 18 days leave during the calendar year, which can be accumulated and 10 leave carried forward to next year. Privileged leaves can not be encashed during in service but encashed only at the time of departure.

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a) Net employee benefit expense recognised

Particulars	Gratuity- Unfunded March 31, 2018	Leave benefit - Unfunded March 31, 2018	Gratuity- Unfunded March 31, 2017	Leave benefit - Unfunded March 31, 2017
Current service cost	2.08	0.67	5.36	0.29
Net interest cost	2.41	0.04	5.16	0.09
Total expenses recognised in the Statement of Profit and Loss	**4.49**	**0.71**	**10.52**	**0.38**
Remeasurement actuarial (gain) / loss from changes in financial assumptions	(6.22)	(1.00)	2.52	0.06
Remeasurement actuarial (gain) / loss from changes in demographic assumptions	(1.43)	(0.16)	-	-
Remeasurement actuarial (gain) / loss on arising from Experience Adjustment	(0.02)	2.08	(26.69)	(0.22)
Total amount recognised in the Other comprehensive income	**(7.67)**	**0.92**	**(24.17)**	**(0.16)**

Expected contribution for the next annual reporting period:	March 31, 2018 Gratuity	March 31, 2018 Leave benefit	March 31, 2017 Gratuity	March 31, 2017 Leave benefit
Service Cost	1.94	0.62	6.44	0.32
Net interest cost	0.91	0.13	2.41	0.04
Net actuarial (gain)/loss	-	-	-	(0.08)
Expected expense	2.85	0.75	8.85	0.28

b) Reconciliation of opening and closing balance of defined benefit obligation.

Particulars	Gratuity- Unfunded Year ended March 31, 2018	Leave benefit - Unfunded Year ended March 31, 2018	Gratuity- Unfunded Year ended March 31, 2017	Leave benefit - Unfunded Year ended March 31, 2017
Present value of obligation as at the beginning of the year	32.84	0.61	64.55	1.07
Interest cost	2.41	0.04	5.16	0.09
Current service cost	2.08	0.67	5.36	0.29
Benefit paid	(17.85)	(0.52)	(18.07)	(0.68)
Actuarial (gain)/loss	(7.68)	0.92	(24.16)	(0.16)
Present value of obligation as at the end of the year	**11.80**	**1.72**	**32.84**	**0.61**
Current	4.06	0.57	1.18	0.04
Non current	7.74	1.15	31.66	0.56

Maturity Profile of Defined Benefit Obligation	March 31, 2018 Gratuity	March 31, 2018 Leave obligation	March 31, 2017 Gratuity	March 31, 2017 Leave obligation
a) April 2017- March 2018	-	-	1.18	0.04
b) April 2018- March 2019	4.07	0.58	0.50	0.03
c) April 2019- March 2020	2.09	0.37	0.49	0.01
d) April 2020- March 2021	1.10	0.22	0.71	0.01
e) April 2021- March 2022	0.58	0.13	0.53	0.01
f) April 2022- March 2023	0.48	0.07	0.54	0.02
g) April 2023 onwards	3.48	0.35	28.89	0.49
	11.80	**1.72**	**32.84**	**0.61**

c) Principal actuarial assumptions at the Balance Sheet date:

Particulars	**March 31, 2018**	**March 31, 2017**
Discounting rate	7.73%	7.35%
Expected rate of increase in salary	FY 2018-19 to 2020-21 0% & There after 5%	8.00%
Demographic assumptions		
i) Retirement age (Years)	58	58
ii) Mortality table	**IALM (2006-08)**	**IALM (2006-08)**
iii) Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	22	3
From 31 to 44 years	51	2
Above 44 years	1	1

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d) The discount rate is based upon the market yields available on Government bonds at the accounting date for remaining life of employees.

e) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market on long term basis.

f) Sensitivity analysis

Changes in the significant actuarial assumptions	Gratuity-Unfunded For the year ended March 31, 2018		Leave benefit -Unfunded For the year ended March 31, 2018	
Discount rate	Increase to 0.5%	Decrease to 0.5%	Increase to 0.5%	Decrease to 0.5%
Increase (decrease) in defined benefit liability	(0.22)	0.23	(0.09)	(0.02)
Salary growth rate	Increase to 0.5%	Decrease to 0.5%	Increase to 0.5%	Decrease to 0.5%
Increase (decrease) in defined benefit liability	0.23	(0.22)	(0.02)	(0.09)

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the statement of financial position. The sensitivity analyses are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Note 13. 2 Provision for warranties

Provision is made for estimated warranty claims in respect of product sold which are still under warranty at the end of the reporting period. These claims are expected to be settled till the maturity of the contracts. Management estimates the provision based on historical warranty claim information and at any recent trends that may suggest future claims could differ from historical amount.

Reconciliation of opening and closing balance of provisions for warranties

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	261.13	577.22
Additions during the year	-	-
Utilised during the year	261.13	316.09
Closing balance	-	**261.13**

Note 14 Other current liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Advances from customers (refer note (i) and (ii) below)	376.74	529.41
Statutory dues	4.74	17.53
Security deposit	-	0.28
	381.48	**547.22**

(i) The Company had received advances from customers, which are outstanding for more than one year and still lying in the books as on March 31, 2018. As per the opinion taken by the Company from expert, such deposits are outside the purview of Section 2(31) and Section 73-74 of the Companies Act, 2013 read with Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014.

(ii) Includes advances from related parties

Particulars	As at March 31, 2018	As at March 31, 2017
Educomp Global Holding W.L.L	42.52	42.52
Edumatics Corporation Inc.	16.21	16.21
Orlando Builders Private Limited	110.95	110.95
Shri Hare Educational trust	0.37	0.44
Vigyan Education Trust	0.60	0.60
Sri Vasudev Educational Trust	-	0.03
	170.65	**170.75**

* for terms and conditions for transaction with related party refer note 28

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Note 15 Revenue from operation*

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of education products and technology equipment	29.61	502.58
Education and other services	614.85	1,272.19
	644.46	**1,774.77**

* for related party transactions and terms and conditions thereto refer note 28

Note 16 Other income*

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income		
- on Fixed deposits	1.58	3.20
- Interest income on financial instruments measured at amortised cost	1.17	293.78
- other interest income	10.95	9.75
Income from lease rental	10.76	4.84
Service tax refund received	13.47	-
Liabilities/provision no longer required written back	32.29	32.23
Other non-operating income	5.09	35.90
	75.31	**379.70**

* for related party transactions and terms and conditions thereto refer note 28

Note 17 Purchase of stock-in-trade

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Technology equipments & accessories	29.26	363.21
Educational products	6.67	4.12
	35.93	**367.33**

Note 18 Changes in inventories of stock-in-trade

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening -stock-in-trade (A)		
Technology Equipments	68.05	119.97
Less: transfer to FA/Repair	(30.20)	-
	37.85	**119.97**
Closing -stock-in-trade (B)		
Technological Equipments	14.41	68.05
	14.41	**68.05**
Change in inventory (A-B)	**23.44**	**51.92**

Note 19 Employee benefit expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Employee benefit expenses		
Salaries wages and bonus	344.54	1,038.82
Contribution to provident and other funds*	21.20	48.12
Gratuity expenses	4.49	10.52
Employee stock option plan amortisation cost (refer Note 31(c))	0.60	13.79
Staff welfare expenses	2.43	5.69
	373.26	**1,116.94**

* Contribution to provident and other funds includes:
Defined contribution plan

	Year ended March 31, 2018	Year ended March 31, 2017
Employer's contribution to provident fund (including admin charges)	13.69	40.06
Employer's contribution employee state insurance	6.96	6.77
Employer's contribution employee deposit linked insurance fund	0.48	1.23
Employer's contribution labour welfare fund	0.07	0.06
	21.20	**48.12**

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Note 20 Finance cost

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense on financial instruments measured at amortised cost	18.75	96.78
Interest expense (Refer note 12.4)	409.75	2,433.46
Interest on delay in payment of income taxes	0.05	0.11
Other borrowing costs	7.13	6.64
	435.68	**2,536.99**

Note 21 Other expenses

(in Rs. millions)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Lease Rent (refer note 33)	17.05	21.13
Rates and taxes	7.71	32.46
Travelling and conveyance	33.42	117.48
Recruitment and training	16.27	10.97
Legal and professional (refer note (i) below)	113.84	220.30
Communication	61.21	51.76
Printing and stationery	48.10	44.42
Project running/ implementation expenses	18.87	33.79
Repair and maintenance		
-Building	15.11	20.81
-Machinery	1.36	6.52
-Others	16.02	15.74
Consumables /Spare parts	198.37	163.71
Power & Fuel	7.60	12.84
Advertisement, publicity and business promotion	19.30	64.10
Freight and forwarding	13.24	40.49
Sundry balances written off	22.36	0.06
Provision for doubtful security deposits	341.43	-
Provision for sundry advances	384.38	23.69
Provision for doubtful debts	6,896.79	-
Foreign exchange loss (net)	143.47	154.10
Loss on sale of fixed assets (net)	-	0.09
Bad debts written off	209.10	-
Miscellaneous expenses	4.14	12.37
	8,589.14	**1,046.83**

(i) Legal & professional fees includes payment to auditors:

Payment to Auditors		
As Auditors		
-for Statutory audit	2.13	2.46
-for Consolidation	1.20	0.20
-For limited review	1.18	2.50
for other services		
-Certification fee	0.08	0.24
for reimbursement of expenses	0.42	0.54
	5.00	**5.94**

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Note 22 Exceptional items

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Exceptional Items		
Provision for diminution in the value of long term investment (refer note 22.1 below)	14,472.87	1,737.69
Penalty under settlement (refer note 22.2 below)	-	407.73
Profit on sale of investment (refer note 22.3 below)	324.46	(377.56)
Loan liability written back (refer note 22.4 below)	-	(250.00)
	14,797.33	**1,517.86**

22.1 During the previous year, the Company had carried out assessment in the value of its investments and recorded the provision for impairment in two of its investments in subsidiaries, (i) Educomp Asia Pacific Pte. Ltd. amounting to Rs. 1,220.51 millions since the subsidiary had gone into compulsory liquidation and (ii) Educomp Online Supplemental Services Limited amounting to Rs. 517.18 millions since its only operating asset i.e Educomp Learning Hour Pvt. Ltd. had filed an application under the Insolvency Code. Accordingly provision for impairment has been provided in the books of accounts for the year ended March 31, 2017.

During the current year the Company has carried out further assessment in the value of its investments and recorded the provision for impairment in investments of its subsidiaries and associate:
(i) Edusmart Services Private Limited amounting to Rs. 515.91 million since the subsidiary is under CIRP process;
(ii) Edumatics Corporation Inc. United States of America amounting to Rs. 62.09 millions since the company is not operational and does not have significant assets;
(iii) Educomp Intelipop Ventures Pte Limited, Singapore amounting to Rs. 39.30 millions since the company is not operational and does not have significant assets;
(iv) Educomp Global Holding W.L.L. Kingdom of Bahrain amounting to Rs. 29.61 millions since the company is not operational and does not have significant assets;
(v) Educomp Global FZE, United Arab Emirates amounting to Rs. 1.46 millions as the company is not operational and does not have significant assets;
(vi) Educomp Professional Education Limited amounting to Rs. 2,511.17 millions as the company is not operational and does not have significant assets;
(vii) Greycells 18 Media Limited amounting to Rs. 159.91 millions since the company has been in operational losses for several years and net worth is eroded;
(viii) Educomp Infrastructure & School Management Limited amounting to Rs. 10,854.64 millions since the Resolution Plan has been approved by NCLT, Chandigarh and as per the approved resolution plan shareholders are not entitled to any proceeds of the resolution plan;
(ix) Educomp Investment Management Limited amounting to Rs. 7.32 millions since the company is not operational and does not have significant assets; and
(x) Educomp School Management Limited amounting to Rs. 42.29 millions since the company is not operational and does not have significant assets.
(xi) Vidya Mandir Classes Private Limited amounting to Rs. amounting to Rs. 249.17 millions since the company is not operational and does not have significant assets

22.2 The Company had entered into an exclusive license and distribution agreement on August 1, 2015 with Digital Learning Solutions SDN BHD (DLS) for exclusive distribution post customization of the Company's learning and education software known as Smart class, in Malaysia. Digital Learning Solutions SDN BHD (the claimant) served a notice of arbitration on the Company in Kuala Lumpur Regional Center for Arbitration (KLRCA) stating the issues arising from the Distribution agreement for non-providing of localize software for DLS's end users as per the contracted timelines. Under the aegis of KLCRA, a sole arbitrator was appointed by agreement of the parties. Sole arbitrator appointed by KLRCA has passed an award for damages on December 19, 2016 against the Company and accordingly durig the previous year the Company had recorded a liability of Rs. 407.73 million (USD 6 million) as "Judgment Debtors".

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22.3 During the previous year ended March 31, 2017, pursuant to a negotiated settlement entered into with ICICI Bank, the Company had divested its entire shareholding in Vidya Mandir Classes Limited (VMCL) (being 67% shareholding in VMCL), a subsidiary of the Company and conditional sale of Educomp Learning Hour Private Limited, a step down subsidiary of the Company. In accordance with the share sale agreement, the Company had transferred the control in VMCL to the buyer. However, pending receipt of full consideration, the shares of VMCL proportionate to outstanding consideration continue to be in the name of the company and are held 'in trust' to be transferred on a pro-rata basis as the consideration is received.

The said "Share Purchase Agreement" (SPA) executed on 25th July 2016 was for sale of 67% equity shares equivalent to 48,776 numbers of shares in its subsidiary "Vidya Mandir Classes Limited" (VMC).

As per clause 2.2 of the SPA, purchase and sale of shares shall be completed in two tranches in following manner:

Particulars	# of shares to be transferred	Consideration in Rs. Millions	Referred in the agreement as
On closing 1 i.e. execution date	9,688	163.39	Tranche A Shares
On or before March 31, 2019 (closing 2)	39,088	742.26	Tranche B Shares
Total	**48,776**	**905.65**	

As per clause 2.3 of the agreement which is reproduced here:
"The Sellers hereby acknowledge and understand that the Purchaser has agreed to purchase the sale shares on the basis of representation that all of sale Share shall be available to the Purchaser to acquire upto March 31, 2019. ***The Purchaser accordingly and based on its cash flows, has agreed to purchase all of Sale Shares in two tranches.*** It is clarified that though sale of all shares would be consummated in two tranches, ***interest of purchaser has been created in all sale shares*** no sooner Closing 1 takes place in terms of clause 8 below."

Based on terms and condition of SPA, an unconditional interest of purchaser has been created in all the shares upon transfer of tranche A shares. Further, all the nominee directors of the Company on the board of VMC was replaced by the nominees of the buyers to protect its "interest" created pursuant to this agreement. Hence VMC ceased to be subsidiary w.e.f. 25th July 2016, even though the shares mentioned in Tranche B are still in the name of company and pledged with ICICI Bank.

Based on the subsequent information, the Purchaser has not exercised such rights till the exercise lapse date i.e. March 31, 2019. Accordingly, the transaction is not enforceable now. Consequently, the transaction of sale of Tranche B shares (53.69% shareholding) recorded in previous year has been reinstated during the year and the related consideration of Rs. 602.43 million shown as recoverable as at March 31, 2017 has been reversed. Also, profit recognised during the financial year 2016-17 on such transaction of Rs. 324.46 million has also been reversed during the year.

22.4 During the previous year, the Company has written back liability discharged by Mr. Jagdish Prakash towards one of the lenders from his own sources amounting to Rs. 250.00 million in a continuing matter under section 138 of Negotiable Instrument Act. Mr. Jagdish Prakash has made the aforesaid payment in his personal capacity which was arranged by him from his own source and has waived his claim against Educomp Solutions Limited for payment of Rs. 250.00 million made to DBS Bank Limited on behalf of Educomp Solutions Limited. Accordingly, during the previous year the Company had recorded an income of Rs. 250.00 million and it had been shown as exceptional item.

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Note 23 Tax expense

(a) Tax expense

Current tax	Year ended March 31, 2018	Year ended March 31, 2017
Current tax on the profits of the year	-	-
Tax relating to previous years	-	-
Total Current tax expense	-	-
Deferred tax expense	-	-
Total	-	-

(b)

Income tax expense is attributable to:	Year ended March 31, 2018	Year ended March 31, 2017
Profit from the continuing operations	-	-
	-	-

(c)

Reconciliation of tax expense and the accounting profit multiplied by the tax rate.	Year ended March 31, 2018	Year ended March 31, 2017
Loss before tax (A)	(23,682.78)	(4,755.59)
Income tax rate applicable (B)	30.90%	30.90%
Income tax expense (A*B)	(7,317.98)	(1,469.48)
Tax effects of the items that are not deductable (taxable) while calculating taxable income :		
Interest on delay of income tax	0.02	0.03
Amount reversal on forfeiture under employee stock option scheme	18.33	8.68
Profit on sale of Long term Investments (net of preferential rate effect of long term capital gains)	-	(6.41)
Difference in loss reported as per Income Tax return and books (refer note below)	107.07	(68.78)
Recognition of previously unrecognised deductible temporary differences	144.91	-
Others	(1.13)	0.04
Items on which no deferred tax asset was created	(7,048.78)	(1,535.92)
Income tax expense	-	-

(d) (i) Significant estimates

The Company has not recognised any deferred tax asset on deductible temporary differences, unused tax losses and unused tax credits as it is not probable that the Company will have sufficient future taxable profit which can be available against the available tax losses and unused tax credits.

(d) (ii) Unused tax losses for which no deferred tax has been recognised

Assessment Year	Business Loss	Short term capital loss	Long term capital loss	Total Amount	Available for utilisation till
AY 2011-12	-	-	4.03	4.03	AY 2019-20
AY 2012-13	-	15.29	-	15.29	AY 2020-21
AY 2013-14	-	-	-	-	AY 2021-22
AY 2014-15	1,140.27	-	-	1,140.27	AY 2022-23
AY 2015-16	2,758.91	-	-	2,758.91	AY 2023-24
AY 2016-17	3,668.02	-	435.25	4,103.27	AY 2024-25
AY 2017-18	1,332.46	-	-	1,332.46	AY 2025-26
	8,899.67	15.29	439.28	9,354.24	
AY 2018-19 (refer note g below)	1,111.15	-	-	1,111.15	AY 2026-27
Unabsorbed Depreciation	1,660.94	-	-	1,660.94	Never Expire
	11,671.75	15.29	439.28	12,126.32	

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(e) Unused deferred tax assets for which no deferred tax has been recognised

	As at March 31, 2018	As at March 31, 2017
Depreciation and amortisation	179.13	198.90
Provision for gratuity and leave encashment	2.75	10.15
Provision for warranty	-	80.69
Provision for doubtful debts	4,241.52	2,110.41
Expenditure allowed on actual payment basis	1,004.39	896.68
Tax losses carried forward (refer g below)	3,701.79	3,400.09
Others	5,441.27	825.15
	14,570.85	7,522.07

(f) During the year no amount of tax has been recognised directly into equity of the Company.

(g) During the year, the Company has revised income tax return for the year ended March 31, 2016 and March 31, 2017. Accordingly, returned loss has undergone a changes. Also, the Company is in the process of filing revised return for the year ended March 31, 2018 against notice u/s 142(1) and accordingly the returned loss would be revised.

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Note 24 Fair valuation measurements

S.No.	Particulars	As at March 31, 2018 FVTPL	As at March 31, 2018 FVTOCI	As at March 31, 2018 Amortised cost	As at March 31, 2017 FVTPL	As at March 31, 2017 FVTOCI	As at March 31, 2017 Amortised Cost
	Financial assets						
1	Investments						
	In Preference shares	-	-	-	-	-	121.72
2	Loans	-	-	39.40	-	-	405.80
3	Trade receivables	-	-	2,660.44	-	-	10,236.42
4	Other financial assets	-	-	9.20	-	-	995.22
5	Cash & Cash Equivalents	-	-	185.63	-	-	385.98
6	Bank balances other than cash & cash equivalents	-	-	27.90	-	-	12.87
	Total Financial Assets	-	-	2,922.57	-	-	12,158.01
	Financial Liability						
1	Borrowings (including current maturities)	-	-	28,290.64	-	-	27,902.51
2	Trade & Other Payables	-	-	1,256.28	-	-	1,327.02
3	Other financial Liabilities	-	-	639.84	-	-	582.93
	Total Financial Liabilities	-	-	30,186.76	-	-	29,812.46

a) The carrying amounts of trade and other payables, working capital borrowings, current loans and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

b) The carrying amounts of trade receivables, loans, security deposits and investment in preference shares were calculated based on contractual cash flows, discounted using a current lending rate and the amortised values are considered to be the same as their fair values, as their is no change in the current and the previous year lending rates. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

c) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

d) As all the financial instruments has been fair valued using amortised cost accounting considering the unobservable inputs as explained in the note b) and c) above therefore all the financial assets and financial liabilities would fall into level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk, own credit risk, contractual cash flows and lending rates.

Note 24A The company has valued the following investments in subsidiaries, associates and joint ventures at cost, as per Ind AS 27.

	As at March 31, 2018	As at March 31, 2017
Investment in Equity shares (including equity component of compounded financial instruments)	648.48	12,402.71
Investment in Preference shares	269.98	697.17

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Note 25 FINANCIAL RISK MANAGEMENT

Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 24. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management is coordinated by its board of directors through RP, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to, are described below:

1 Market risk

Market risk is the risk that changes in market prices will have an effect on Company's income or value of the financial assets and liabilities. The Company is exposed to various types of market risks which result from its operating and investing activities. The most significant financial risks to which the Company is exposed are described below:

1(a) Foreign currency risk

The Company is exposed to exchange rate fluctuations as it undertakes transaction in various currencies. Various operating and investing activities during the year, in currencies other than functional currency of the Company, resulted in foreign currency financial assets and liabilities as on each reporting date.

As the company is currently undergoing CIRP process (refer note 1(a)), Accordingly, a moratorium has been declared under section 14 of the Code. All the foreign currency liabilities have been crystallised into INR as on May 30, 2017. Accordingly, there is no foreign currency risk till the completion of CIRP.

The following table presents non-derivative instruments which are exposed to currency risk and are unhedged as at March 31, 2018 and March 31, 2017 :

Particulars	Foreign currency	As at March 31, 2018		As at March 31, 2017	
		Foreign currency	Amount	Foreign currency	Amount
Trade payable	US$	12.87	837.51	12.87	834.27
	Euro	0.01	0.80	0.01	0.69
	GBP	-	-	0.00	0.28
Trade receivable	US$	0.34	22.37	0.35	22.37
	Canadian $ (CAD)	0.11	5.49	0.11	5.30
Loans payable	US$	80.00	5,419.72	80.00	5,387.16
Interest accrued and due	US$	14.94	971.92	13.39	868.22
Interest accrued but not due	US$	-	-	0.86	56.01

To mitigate the Company's exposure to foreign exchange risk, cash flows in foreign currencies are monitored and net cash flows are managed in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short term foreign currency cash flows (due within 6 months) from longer term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no hedging activity is undertaken.

The following table gives the volatility in exchange rates for the respective reporting years for major currencies:

Currencies	Year ended March 31, 2018	Year ended March 31, 2017
INR/USD	5%	5%
INR/GBP	10%	15%
INR/EURO	8%	10%
INR/CAD	5%	6%

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis given in the table below is based on the Company's foreign currency financial instruments held at each reporting date.

Sensitivity analysis for entities with foreign currency balances in INR

The following tables illustrate the sensitivity of profit/loss and equity in regards to the Company's financial assets and financial liabilities and the movement of exchange rates of respective functional currencies' against INR, assuming 'all other things being equal'.

If the respective functional currencies had strengthened/weakened against the INR by the afore mentioned percentage of market volatility, then this would have had the following impact on profit/loss:

March 31, 2018		Profit and loss		Other Components of equity	
	Movement	Strengthening	Weakening	Strengthening	Weakening
USD Senstivity	5%	91.59	(91.59)	270.99	(270.99)
GBP Senstivity	10%	-	-	-	-
EURO Senstivity	8%	0.06	(0.06)	-	-
CAD Senstivity	5%	0.27	(0.27)	-	-

March 31, 2017		Profit and loss		Other Components of equity	
	Movement	Strengthening	Weakening	Strengthening	Weakening
USD Senstivity	5%	89.04	(89.04)	268.70	(268.70)
GBP Senstivity	15%	0.04	(0.04)	-	-
EURO Senstivity	10%	0.07	(0.07)	-	-
CAD Senstivity	6%	0.32	(0.32)	-	-

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1(b) Price risk sensitivity

The Company does not have any financial asset or liability exposed to price risk as at reporting date.

1(c) Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.
The Company's policy is to minimise interest rate cash flow risk exposure on long-term financing. At March 31, 2018, the Company is exposed to changes in market interest rates majorly through ECB borrowings and borrowings restructured under MRA (refer note 12.1)

As the company is currently undergoing CIRP process (refer note 1(a)), Accordingly, a moratorium has been declared under section 14 of the Code. The debt liabilities have been crystallised as on May 30, 2017. Accordingly, there is no interest rate risk on the debt liabilities till the completion of CIRP.

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:
The following table provides a break-up of the Company's fixed and floating rate borrowings:

	As at March 31, 2018	As at March 31, 2017
Fixed-rate borrowings (Refer note below)	3,349.86	3,337.95
Floating rate borrowings (Refer note below)	21,833.73	21,823.35
Total borrowings	**25,183.59**	**25,161.30**

Note: The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date.

The following table illustrates the sensitivity of profit or loss and other components of equity to a reasonably possible change in interest rates of +/- 1% (March 31, 2017: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the LIBOR rate for each year, and the financial instruments held as at end of reporting year that are sensitive to changes in interest rates, all other variables held constant.

	Impact on profit and loss after tax			
	Year ended March 31, 2018		Year ended March 31, 2017	
	Favourable change of 100 bp	Unfavourable change of 100 bp	Favourable change of 100 bp	Unfavourable change of 100 bp
Loan amount	21,833.73		21,823.35	
Effect on profit and loss after tax	218.34	(218.34)	218.23	(218.23)

2 CREDIT RISK

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. the Comapny's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at different reporting dates.

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties only.

In respect of trade and other receivables, the Company follows simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. However, the Company records full credit loss on the receivables for which the Company had filed litigation.
Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument.

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

	0-180 days	180-365 days	more than 360 days
Default rate	6%	9%	38%

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The credit risk for cash and cash equivalents and other financial instruments is considered negligible and no impairment has been recorded by the Company.

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Reconciliation of loss allowance provision – Trade receivables

Particulars	Amount
Loss allowance on 1 April 2016	7,156.64
Changes in loss allowance	(326.83)
Loss allowance on 1 April 2017	6,829.81
Changes in loss allowance	6,896.79
Loss allowance on 31 March 2018	13,726.60

Significant estimates and judgements

Impairment of financial assets

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

3 Liquidity risk

Liquidity risk is the risk that the Company might not be able to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

As the company is currently undergoing CIRP process (refer note 1(a)), the current liquidity risk management is therefore restricted to the management of current assets and liabilities and the day to day cash flows of the company.

As at end of reporting year, the Company's financial liabilities have contractual maturities* as summarised below :

	March 31, 2018				
	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings	24,568.94	-	-	614.65	25,183.59
Trade payables	1,256.28	-	-	-	1,256.28
Other financial liabilities	4,172.89	-	-	-	4,172.89
Total	**29,998.11**	**-**	**-**	**614.65**	**30,612.76**

	March 31, 2017				
	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings	24,546.65	-	-	614.65	25,161.30
Trade payables	1,327.02	-	-	-	1,327.02
Other financial liabilities	3,768.57	-	-	-	3,768.57
Total	**29,642.24**	**-**	**-**	**614.65**	**30,256.89**

*The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date.
Further Current maturities of long term loans have been reclassified from other financial liabilities to borrowings to reflect the maturity profile of borrowings in a better manner. Pursuant to delays in repayment of loan/interest payments and ongoing CIRP process (refer note 1(a)), the future contractual interest payments has not been considered in above table.

The Company did not have access to any undrawn borrowing facilities at the end of the reporting period.

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Note 26 Capital management

(a) Risk Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

In determining its capital structure, Company considers the robustness of future cash flows and to maintain an optimal structure to reduce the cost of capital.

The Company monitors gearing ratio i.e. Net debt in proportion to its overall financing structure, i.e. equity and debt. Equity comprises of all the components of equity (i.e. share capital, additional paid in capital, retained earnings etc.). Net debt comprises of total borrowings less cash and cash equivallents of the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount by issue of new shares or sell assets to reduce the debt. However, in view of certain adverse factors and liquidity problems faced by the Company, the net worth of the Company has been fully eroded and the Company is presently under CIRP process and thereby continue to operate as a going concern.

	As at March 31, 2018	As at March 31, 2017
Net debt	24,571.96	24,330.89
Equity	(26,331.16)	(2,775.39)
Net Debt to equity ratio	(0.93)	(8.77)

(i) Loan covenants

Under the terms of the master restructuring agreement, the Company is required to comply with the following financial covenants:

-- Without the prior approval of CDR Lenders/Monitoring Institutions the Company shall not issue any debentures, raise any loans, deposits from public, issue equity or preference capital, change its capital structure or charge on its assets including its cashflow or give any gurantees save and except Permitted indebtness.

-- Without the prior approval of CDR Lenders/Monitoring Institutions the Company shall not recognise or register any transfer of shares in the borrowers' capital made or to be made by Promoter, their friends or associates except as may be specified by the CDR Lenders.

As during the FY 2017-18, no such new debt or equity instruments were issued and holding % of promoter Mr. Shantanu Prakash is same as at March 31, 2017 and March 31, 2018 i.e. 36.19%.

The promoter has given interest free loan to the Company for smooth functuniong of its day to day operation which as per the terms of MRA will be payable only after the payment of CDR loans.

For details of defaults in payment of principal and interest, refer note 12.3

(b) Dividend

The Company has not proposed any dividend for the current and previous year due to losses.

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Note 27 Segment Reporting

(i) The board of directors of the Company along with the chief financial officer assesses the financial performance and position of the Company, and makes strategic decisions. They together have been identified as being the chief operating decision maker.

The Company has followings segments namely :-

a) Higher Learning Solutions (HLS) comprising of vocational, higher education and professional development.
b) School Learning Solutions (SLS) comprising of Smart Class & Edureach (ICT) business.
c) K-12 Schools comprising preschools & high schools.
d) Online, Supplemental & Global business (OSG) comprising of internet based educational services and coaching.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses, which are not attributable or allocable to segments, have been disclosed under the head "unallocable"

Assets and liabilities that are directly attributable to segments are disclosed under respective reportable segment. All other assets and liabilities are disclosed under the head "unallcoable".

The chief operating decision maker primarily uses revenue to assess the performance of the operating segments. However, the chief operating decision maker also receives information about the segment assets on a monthly basis.

a) Business segment information

(ii) Segment Capital Expenditure

	For the year ended March 31, 2018	For the year ended March 31, 2017
HLS	-	-
SLS	0.09	127.92
K-12	-	-
OSG	-	-
Unallocated	0.27	10.06
	0.36	**137.98**

(iv) Segment depreciation

	For the year ended March 31, 2018	For the year ended March 31, 2017
HLS	-	-
SLS	140.00	263.17
K-12	-	-
OSG	-	-
Unallocated	7.77	9.02
	147.77	**272.19**

(v) Material Non-Cash Items

	As at March 31, 2018	As at March 31, 2017
HLS	-	-
SLS	7,126.44	20.88
K-12	-	-
OSG	-	-
Unallocable	15,597.07	2,166.45
	22,723.51	**2,187.32**

(vi) Segment Revenue & Expenses (External)

	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Revenue	**Expenses**	**Results**	**Revenue**	**Expenses**	**Results**
HLS	-	-	-	104.97	6.54	98.43
SLS	634.28	8,042.34	(7,408.06)	1,658.33	2,230.32	(571.99)
K-12	-	-	-	-	-	-
OSG	10.18	0.73	9.45	11.47	17.86	(6.39)
	644.46	**8,043.07**	**(7,398.61)**	**1,774.77**	**2,254.72**	**(479.95)**
Less: Unallocable Expenditure			1,126.47			600.49
Less: Finance cost			435.68			2,536.99
Operating loss			**(8,960.76)**			**(3,617.43)**
Other Income			75.31			379.70
Exceptional Items			(14,797.33)			(1,517.86)
Loss before tax			**(23,682.78)**			**(4,755.59)**
Less: Tax expense						
-Current			-			-
-Deferred			-			-
Net Profit			(23,682.78)			(4,755.59)

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(vii) Segment assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

	As at March 31, 2018	As at March 31, 2017
Segment assets		
HLS	2.10	40.68
SLS	2,799.27	10,875.21
K-12	0.67	0.67
OSG	106.08	87.30
Total Segment assets	**2,908.11**	**11,003.86**
Unallocated corporate assets	424.03	3,501.65
Investments	918.46	13,375.68
Total assets as per the balance sheet	**4,250.60**	**27,881.19**

(viii) Segment liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operation of the segment.

	As at March 31, 2018	As at March 31, 2017
HLS	0.01	0.03
SLS	1,290.64	1,776.17
K-12	110.95	110.95
OSG	44.50	45.46
Total Segment liabilities	**1,446.10**	**1,932.61**
Unallocated corporate liabilities	4,378.07	4,007.10
Current Borrowings	1,203.47	1,198.87
Non-Current Borrowings	23,554.12	23,518.00
Total liabilities as per the balance sheet	**30,581.76**	**30,656.58**

(b) Geographical Segments

Revenue	For year ended March 31, 2018	For year ended March 31, 2017
India	644.46	1,774.77
Outside India	-	-
	644.46	**1,774.77**

Capital Expenditure

	For year ended March 31, 2018	For year ended March 31, 2017
India	0.36	137.98
Outside India	-	-
	0.36	**137.98**

Non-current Assets	As at March 31, 2018	As at March 31, 2017
India	347.97	557.13
Outside India	-	-
	347.97	**557.13**

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Note 28 Related party transactions

(a) **List of related parties and relationships:**

Subsidiary Companies (Direct and Indirect Holding)

S. No.	Name of Related Party
1	Wheitstone Productions Private Limited
2	Edumatics Corporation Inc., USA
3	Educomp Learning Private Limited.
4	Educomp Infrastructure & School Management Limited
5	Educomp School Management Limited.
6	Educomp Learning Hour Private Limited
7	Educomp Asia Pacific Pte. Ltd., Singapore
8	Vidya Mandir Classes Limited
9	Educomp Software Limited
10	Educomp Infrastructure Services Private Limited
11	Educomp Professional Education Limited
12	Learning Internet Inc., U.S.A.
13	Educomp APAC Services Ltd., BVI
14	Savvica Inc.Canada
15	Educomp Online Supplemental Service Limited
16	Educomp Intelliprop Ventures Pte. Ltd., Singapore
17	Educomp Investment Management Limited
18	Falcate Builders Private Limited
19	Newzone Infrastructure Private Limited
20	Rockstrong Infratech Private Limited
21	Reverie Infratech Private Limited
22	Herold Infra Private Limited
23	Growzone Infrastructure Private Limited
24	Hidream Constructions Private Limited
25	Leading Edge Infratech Private Limited
26	Strotech Infrastruture Private Limited
27	Markus Infrastructure Private Limited
28	Orlando Builders Private Limited
29	Crosshome Developers Private Limited
30	Good Luck Structure Private Limited
31	Evergreen Realtech Private Limited
32	Zeta Buildcon Private Limited
33	Onega Infrastructure Private Limited
34	Grider Infratech Private Limited
35	Boston Realtech Private Limited
36	Modzex Infrastructure Private Limited
37	Virtual Buildtech Private Limited
38	Laservision Estates Private Limited
39	Knowledge Vistas Limited
40	Educomp Global Holding WLL
41	Educomp Global FZE.
42	Edu Smart Services Private Limited

Associates

S. No.	Name of Related Party
1	Greycells18 Media Limited
2	Little Millenium Education Private Limited (w.e.f April 23, 2016)

Joint Venture of Direct Subsidiary

S. No.	Name of Related Party
1	Educomp Raffles Higher Education Limited

Key Managerial Personnel (KMP) with whom transactions incurred during the year

S. No.	Name of Related Party
1	Mr. Shantanu Prakash
2	Mr. V. K. Dandona

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Resolution Professional (RP)

S. No.	Name of Related Party
1	Mr. Mahender Kumar Khandelwal (from September 12, 2017)

Enterprises owned or significantly influnced by KMP or their relatives with whom transactions incurred during the year

S. No.	Name of Related Party
1	Millennium InfraDevelopers Limited
2	A P Eduvision Private Limited
3	DSK Legal (till March 28, 2017)
4	Shiksha Solution Trustee Pvt. Ltd.
5	Healthsetgo Services Private Limited
6	Learning Links Foundation
7	Learning Leadership Foundation
8	Education Quality Foundation of India
9	Unnati Educational Trust
10	League India Education Foundation
11	Shri Hare Educational trust
12	Siya Ram Educational trust
13	Sri Vasudev Educational Trust
14	Vigyan Education Trust
15	Naveen Shiksha educational Trust

(b) **Interest in subsidiaries (refer note 6.1)**

		Ownership interest held by the Company		Ownership interest held by non controlling interest	
	Country of Incorporation	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Investment in Subsidiaries					
Wheitstone Productions Private Limited	India	51.00%	51.00%	49.00%	49.00%
Edumatics Corporation Inc, USA	USA	100.00%	100.00%	0.00%	0.00%
Educomp Learning Private Limited	India	51.00%	51.00%	49.00%	49.00%
Educomp Infrastructure & School Management Limited	India	83.38%	83.38%	16.62%	16.62%
Educomp School Management Limited	India	68.35%	68.35%	31.65%	31.65%
Educomp Asia pacific Pte Ltd., Singapore	Singapore	100.00%	100.00%	0.00%	0.00%
Educomp Professional Education Limited	India	100.00%	100.00%	0.00%	0.00%
Savvica Inc., Canada	Canada	79.55%	79.55%	20.45%	20.45%
Educomp Intelprop Ventures Pte. Limited	Singapore	100.00%	100.00%	0.00%	0.00%
Educomp Online Supplemental Services Limited	India	24.72%	24.72%	75.28%	75.28%
Educomp Online Supplemental Services Limited - Rs. 5 paid up	India	59.49%	59.49%	40.51%	40.51%
Educomp Investment Management Limited	India	100.00%	100.00%	0.00%	0.00%
Educomp Global Holding W.L.L	Bahrain	100.00%	100.00%	0.00%	0.00%
Educomp Global FZE	UAE	100.00%	100.00%	0.00%	0.00%
Vidya Mandir Classes Private Limited***	India	53.69%	0.00%	46.31%	100.00%
Edu Smart Services Private Limited**	India	0.00%	0.00%	100.00%	100.00%

**The Company has a controlling power on Edu Smart Services Private Limited and by virtue of Ind AS 110 it is to be consolidated in the consolidated financials of the Company and therefore the Company has included the same in the list of subsidiaries.

***Refer note 22.4

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(c) Transactions with related parties during the year:

(i) Subsidiaries	Year ended March 31, 2018	Year ended March 31, 2017
Revenues [net of (sales return)] (Note 28.1)	2.44	9.21
Other income (Note 28.2)	0.14	1.10
Expenses paid on behalf of related party (Note 28.3)	1.95	-
Advance from customers /(return to customers) (Note 28.5)	-	(0.55)
Rent paid (Note 28.6)	-	0.04
Notional interest income on amortised valued investment in preference shares (Note 28.8)	-	12.06
	4.53	21.86

(ii) Key Management Personnel	Year ended March 31, 2018	Year ended March 31, 2017
Expenses paid for services (Note 28.4)	0.45	2.70
Loan received (including debt and equity component of compounded financial instruments) (Note 28.7)	-	30.00
Notional interest expense on the amortised valued borrowings (Note 28.9)	-	23.01
Professional fees to paid RP	0.90	-
	1.35	55.71

(iii) Joint Venture of Subsidiary	Year ended March 31, 2018	Year ended March 31, 2017
Revenues [net of (sales return)] (Note 28.1)	-	104.97
	-	104.97

(iv) Parties having significant Influence	Year ended March 31, 2018	Year ended March 31, 2017
Revenues [net of (sales return)] (Note 28.1)	0.07	0.35
Other income (Note 28.2)	0.12	1.31
Expenses paid for services (Note 28.4)	51.01	46.66
	51.20	48.32

Notes	Year ended March 31, 2018	Year ended March 31, 2017
28.1 Sales and services to/ (return) from:		
Edu smart Services Private Limited	2.44	9.12
Educomp Raffles Higher Education Limited	-	104.97
Educomp Infrastructure & School Management Limited	-	0.09
Shiri Hare Educational Trust	0.05	0.17
Siya Ram Educational Trust	0.01	0.07
Sri Vasudev Educational Trust	0.01	0.11
28.2 Other income from:		
Educomp Learning Private Limited	0.14	0.14
Edu smart Services Private Limited	-	0.96
Healthsetgo Services Private Limited	-	1.07
Learning Link Foundation	-	0.12
Learning Leadership Foundation	0.12	0.12
28.3 Expenses paid on behalf of:		
Educomp Learning Private Limited	1.95	-
28.4 Expenses paid for services		
Unnati Educational Trust	51.01	37.61
DSK Legal	-	9.05
V. K. Dandona	0.45	2.70
28.5 Advance / (return) from/ to customers:		
Orlando Builders Private Limited	-	(0.55)
28.6 Rent paid to:		
Educomp Learning Private Limited	-	0.04
28.7 Loan received from		
Mr. Shantanu Prakash	-	30.00
28.8 Notional interest income on amortised valued investment in preference shares		
Edu smart Services Private Limited	-	12.06
28.9 Notional interest expense on the amortised valued borrowings		
Mr. Shantanu Prakash	-	23.01

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(All amount in Rs. million, unless otherwise stated)

(d) Details of balances outstanding with related parties at the year end:

(i) Subsidiaries	As at March 31, 2018	As at March 31, 2017
Investment (including debt and equity portions of compounded financial instruments) (refer foot note 1)	757.36	14,792.35
Share application money (refer foot note 3)	-	102.21
Trade receivables (refer foot note 2)	1.45	7,085.74
Loans and advances and other current assets (refer foot note 4)	1.95	1.77
Advance received from Customers	169.68	169.68
Corporate guarantees (refer note 29)	11,621.69	14,183.30
	12,552.13	36,335.05
1 net of provision for impairment	16,204.72	1,891.76
2 net of provision for expected credit loss	9,776.44	2,651.50
3 net of provision for impairment	102.21	-
4 net of provision for impairment	1.77	-

(ii) Associates	As at March 31, 2018	As at March 31, 2017
Investment (including debt and equity portions of compounded financial instruments) (refer foot note 1)	161.10	321.01
Trade receivables	0.26	0.26
	161.36	321.27
1 net of provision for impairment	159.91	

(iii) Key Management Personnel	As at March 31, 2018	As at March 31, 2017
Unsecured Loan (including debt and equity portion of compounded financial instruments)	663.07	663.07
Trade and other payables	-	0.20
	663.07	663.27

(iv) Parties having significant Influence	As at March 31, 2018	As at March 31, 2017
Trade receivables (refer foot note 1)	8.93	48.67
Advance received from Customers	0.97	1.07
Other current assets	0.10	0.10
Trade and other payables	40.43	21.55
	50.43	71.39
1 net of provision for expected credit loss	0.02	-

(e) Terms and conditions

(i) All outstanding balances are unsecured and repayable/ recoverable on demand.

(ii) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables, other than disclosed.

(iii) Till previous year, certain trusts were not considered as related parties based on the applicable provisions of Ind AS 24 by the Company. As the Company had a view that the directors of the Company do not exercise significant influence and/or control over these trusts and hence have not been disclosed as related party under IND AS 24.

During the current year, the Company has revisited the said view and concluded the above tsuts as related party. Accordingly, transactions with these trusts has been disclosed for during the year and previous year.

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29 Contingent Liabilities

The below mentioned details is based on the status provided by the Company till the date of approval of insolvency under the Code i.e. May 30, 2017. Consequently, NCLT has declared the moratorium period as per the provision of section 13 (1) (a) of the Code which is further extended to February 24, 2018 via CoC meeting dated November 2, 2017. As the Resolution Plan is under consideration by Hon'ble NCLT therefore the moratorium period continue to be in effect till conclusion of the CIRP process. Refer Note 1(d) for further details.

The Company has contingent Liabilities at March 31, 2018 in respect of:

	As at March 31, 2018	As at March 31, 2017
(i) Guarantees excluding financial guarantees (refer note 29.1 & 29.2 below)		
a) Corporate guarantee given to bank for secured loan and debenture to subsidiaries		
(a-i) Educomp Infrastructure & School Management Limited	9,371.69	9,371.69
(a-ii) Educomp Asia Pacific Pte. Ltd., Singapore (EAPL) (refer note 29.3 below)	-	1,361.61
(a-iii) Educomp Learning Hour Private Limited (ELHPL) (refer note 29.4 below)	-	1,200.00
(a-iv) Edu Smart Services Private Limited	2,250.00	2,250.00
(ii) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business the Company estimates contingent liability in relation to these Legal cases as under:		
- Civil Cases	86.81	86.81
- Consumer/labour related cases	98.59	98.58
- Arbitration	-	14.69

29.1 The loan outstanding to banks against the corporate guarantee in point no. (a) above as on March 31, 2018 was Rs. 7,716.49 million (March 31, 2017 Rs. 9,288.42 million).

29.2 The timing of future outflows in respect of (a) will depend on crystallization and demand made by bank.

29.3 The corporate guarantee was given to SBI, Singapore for the loan taken by the EAPL. SBI has invoked guarantee amount and submitted his claim to the RP. The RP has admitted his claim and claim amount is included in claims received from financial creditors. (refer note 37)

29.4 The corporate guarantee was given to ICICI bank for loan obtained by ELHPL. During the current year loan has been repaid by ELHPL.

Note 30. Commitments

Capital commitments

Capital expenditure contracted but remaining to be executed at the end of the reporting period is as follows :

	As at March 31, 2018	As at March 31, 2017
Uncalled Liability on partly paid shares (net of advances)	400.41	400.41
Total	**400.41**	**400.41**

Note 31. Share based payment

(a) Employee option plan

The Company has seven stock option schemes which provide equity shares to employees and directors (excluding promoter director) of the Company. All the cost including the cost relating to the options granted to employees of subsidiary companies are borne by the Company. Employee stock options are convertible into equity shares in accordance with the respective employees' stock option scheme. The option vesting period is maximum ten years from the date of grant of option to employees at an exercise price approved by the remuneration committee. The exercise period is one year from the end of last vesting date of respective grants. There are no conditions for vesting other than continued employment/ directorship with the Company or its subsidiaries. There has been no cancellation or modification of the respective schemes during the year.

Employee Stock Option Scheme 2006

Pursuant to shareholder's resolution dated August 24, 2006, the Company had introduced "Educomp Employees Stock Option Scheme 2006" which provides for the issue of 3,125,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 7 years from the date of respective grants. As at March 31, 2018 the Company had Nil (March 31, 2017: 739,000) number of shares outstanding for issue under the scheme.

Employee Stock Option Scheme 2007

Pursuant to shareholder's resolution dated September 13, 2007, the Company had introduced "Educomp Employees Stock Option Scheme 2007" which provides for the issue of 1,000,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 7 years from the date of respective grants. As at March 31, 2018 the Company had 200,000 (March 31, 2017: 551,500) number of shares outstanding for issue under the scheme.

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Employee Stock Option Scheme 2008

Pursuant to shareholder's resolution dated November 25, 2008, the Company had introduced "Educomp Employees Stock Option Scheme 2008" which provides for the issue of 1,250,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 7 years from the date of respective grants. As at March 31, 2018 the Company had Nil (March 31, 2017: 596,600) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2010

Pursuant to shareholder's resolution dated 18 March 2010, the Company had introduced "Educomp Employees Stock Option Scheme 2010" which provides for the issue of 1,000,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 7 years from the date of respective grants. As at March 31, 2018 the Company had Nil (March 31, 2017: 223,750) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2011

Pursuant to shareholder's resolution dated July 26, 2011, the Company had introduced "Educomp Employees Stock Option Scheme 2011" which provides for the issue of 1,000,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 7 years from the date of respective grants. As at March 31, 2018 the Company had Nil (March 31, 2017: 335,000) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2012

Pursuant to shareholder's resolution dated July 16, 2012, the Company had introduced "Educomp Employees Stock Option Scheme 2012" which provides for the issue of 3,500,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 10 years from the date of respective grants. As at March 31, 2018 the Company had 10,000 (March 31, 2017: 1,861,625) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2014

Pursuant to shareholder's resolution dated August 11, 2014, the Company had introduced "Educomp Employees Stock Option Scheme 2014" which provides for the issue of 5,000,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 10 years from the date of respective grants. As at March 31, 2018 the Company had 300,000 (March 31, 2017: 3,973,450) number of shares outstanding for issue under the scheme.

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(All amount in Rs. million, unless otherwise stated)

(b) The information concerning stock options granted, exercised, forfeited and outstanding at the year end is as follows:

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 2006				
No. of shares under option				
Outstanding at the beginning of the year	739,000	13.55	1,050,000	36.06
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	739,000	13.55	311,000	89.54
Outstanding at the end of year	-	-	**739,000**	**13.55**
Weighted average remaining contractual life (in years)	Nil		2.33 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2007				
No. of shares under option				
Outstanding at the beginning of the year	551,500	32.82	805,550	37.06
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	351,500	37.41	254,050	46.26
Outstanding at the end of year	**200,000**	**24.75**	**551,500**	**32.82**
Weighted average remaining contractual life (in years)	2.00yrs		2.60yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2008				
No. of shares under option				
Outstanding at the beginning of the year	596,600	176.13	1,082,800	110.46
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	596,600	176.13	486,200	29.87
Outstanding at the end of year	-	-	**596,600**	**176.13**
Weighted average remaining contractual life (in years)	Nil		3.31 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2010				
No. of shares under option				
Outstanding at the beginning of the year	223,750	70.50	988,125	67.03
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	223,750	70.50	764,375	66.02
Outstanding at the end of year	-	-	**223,750**	**70.50**
Weighted average remaining contractual life (in years)	Nil		1.97 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2011				
No. of shares under option				
Outstanding at the beginning of the year	335,000	23.18	745,000	22.46
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	335,000	23.18	410,000	21.87
Outstanding at the end of year	-	-	**335,000**	23.18
Weighted average remaining contractual life (in years)	Nil		2.51 yrs	
Payment received against share allotted during the year	Nil		Nil	

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Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 2012				
No. of shares under option				
Outstanding at the beginning of the year	1,861,625	37.89	3,371,625	29.77
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	1,851,625	38.00	1,510,000	19.75
Outstanding at the end of year	**10,000**	19.10	**1,861,625**	37.89
Weighted average remaining contractual life (in years)	3.37 yrs		1.80 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2014				
No. of shares under option				
Outstanding at the beginning of the year	3,973,450	15.06	4,898,650	14.86
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	3,673,450	14.37	925,200	14.00
Outstanding at the end of year	**300,000**	23.50	**3,973,450**	15.06
Weighted average remaining contractual life (in years)	2.87 yrs		2.20 yrs	
Payment received against share allotted during the year	Nil		Nil	

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise Price (INR)	Share options March 31, 2018	Share options March 31, 2017
14-Apr-09	12-Apr-16	408.80	-	6,600
15-Jun-09	13-Jun-16	609.88	-	75,000
22-Sep-09	20-Sep-16	810.25	-	7,500
01-Jun-10	30-May-17	623.10	-	75,000
03-Jun-10	01-Jun-17	535.00	-	23,750
27-Jul-12	26-Jul-19	154.35	-	193,625
13-Aug-13	11-Aug-20	19.10	10,000	60,000
22-Nov-13	21-Nov-16	23.15	-	700,000
27-Dec-13	26-Dec-16	24.75	-	300,000
27-Dec-13	26-Dec-18	24.75	-	288,000
31-Mar-14	30-Mar-19	24.75	200,000	500,000
09-Apr-14	08-Apr-19	33.10	-	550,000
13-Feb-15	12-Feb-20	23.50	300,000	450,000
20-Mar-15	19-Mar-18	14.00	-	4,051,450
13-Aug-15	12-Aug-18	13.50	-	1,000,000
Total			**510,000**	**8,280,925**

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The Company has not granted any options during the year ended March 31, 2018 and March 31, 2017.

(c) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in the statement of profit or loss as part of employee benefit expense were as follows:

	March 31, 2018	March 31, 2017
Employee share-based payment expense	0.60	13.79

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Educomp Solutions Limited
Notes to the Ind AS financial statements for the year ended March 31, 2018
(All amount in Rs. million, unless otherwise stated)
Note 32 Loss per share (EPS)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net loss attributable to equity shareholders	(23,682.78)	(4,755.59)
Loss after tax (before other comprehensive income)		
Nominal value of equity share (Rs.)	2	2
No of shares as at end of the year	122,467,168	122,467,168
No. of weighted average equity shares	122,467,168	122,467,168
Loss per share Basic/ diluted	(193.38)	(38.83)

*The Company is having potential equity shares as mentioned in note 10.g . However, since these are anti- dilutive, the same are not considered for calculation of dilutive EPS. Consequently, the basic and diluted EPS of the Company remains the same.

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Note 33. Leases

Operating lease (as a lessee)
ai) Assets taken on lease
i) General description of lease terms:
- Assets are taken on lease over a period of one to five years.
- Lease rentals are charged on the basis of agreed terms over the lease term.
- There are no restrictions imposed by the lessor.
- There are scheduled escalations.

ii). The Company has taken office space and technology equipment under non-cancellable operating lease. The lease rental expense recognized in the Statement of Profit and Loss for the year in respect of such leases is Rs. 17.05 million (March 31, 2017 Rs.21.13 million). The future minimum lease rent payable (minimum lease payments) under non-cancellable operating leases are as follows:

	As at March 31, 2018	As at March 31, 2017
Within one year	4.69	4.46
Later than one year but not later than five years	11.84	9.61
Later than five years	-	-
Total	**16.53**	**14.07**

aii) Assets given on lease and sub lease
i) General description of lease terms:
- Assets are given on lease over a period of one to three years
- Lease rentals are charged on the basis of agreed terms.
- The lease are renewable after expiry of agreement period.
- There are no escalations as per the lease agreement.

ii) The Company has given office space on lease and sub lease. The primary use of these office sapces are only for businees purpose and there is no intension of the Company to earn renatls for long period of time. Other income includes income from operating lease of Rs. 10.76 million (March 31, 2017 Rs. 4.84 million). The future minimum sublease payment expected to be received are as follows:

Assets given on lease	As at March 31, 2018	As at March 31, 2017
Within one year	7.74	4.80
Later than one year but not later than five years	-	21.17
Later than five years	-	1.47
Total	**7.74**	**27.44**

Assets given on sub lease	As at March 31, 2018	As at March 31, 2017
Within one year	-	1.05
Later than one year but not later than five years	-	0.89
Later than five years	-	-
Total	**-**	**1.94**

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bi) Assets given on lease

i) General description of lease terms:
- Assets are given on lease over a period of two to five years
- Lease rentals are charged on the basis of agreed terms on straight line basis over the lease term
- The lease are not renewable after expiry of agreement period.
- There are no escalations as per the lease agreement.

ii) The Company has sub leased various assets under BOOT smart class contracts. These contracts meet the criteria laid down under the appendix C of Ind AS 17, Total minimum lease receivables at the end of the reporting period are as follows :

	As at March 31, 2018	As at March 31, 2017
Total Minimum lease payments receivables (net investment)	1.82	15.80
Total	**1.82**	**15.80**

iii) Gross investment in leased out assets showing total Minimum lease payments receivables for different periods is as follows:

	As at March 31, 2018		As at March 31, 2017	
	0 to 1 year	1 to 5 year	0 to 1 year	1 to 5 year
Total Minimum lease payments receivables (gross investment)	2.18	0.34	14.56	2.93

	As at March 31, 2018	As at March 31, 2017
Gross investment	2.52	17.49
Net investment	1.82	15.80
Unearned finance income	**0.70**	**1.69**

Note 34 Suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

Particulars **The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in trade payables and other current financial liabilities**	As at March 31, 2018	As at March 31, 2017
Principal amount due to micro, small and medium enterprises	9.89	7.90
Interest due on above	5.62	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.62	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible under Section 23 of the MSMED Act 2006.	-	-

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Note 35. Due to inadequacy of the profits, managerial remuneration paid by the Company to one of its Whole Time Director during the quarter ended June 30, 2015 and year ended March 31, 2015, was in excess of limits prescribed under Section 197 and 198 read with Schedule V to the Companies Act, 2013. Similarly, managerial remuneration paid during the financial year ended March 31, 2014 to one of its Whole Time Director was also in excess of limits prescribed under Section 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956. The management of the Company had filed an applications to the Central Government to obtain its approval for the waiver/approval of the remuneration so paid in years ended March 31, 2014, March 31, 2015 and quarter ended June 30, 2015.

Since the Company had not received any response from the Central Government approving or granting any waiver for the said excess remuneration, pursuant to the provisions of Section 197(9) of the Companies Act, 2013, the Company (through its resolution professional) has sought a refund via email dated December 28, 2020, for the entire excess remuneration paid. The amount is however, yet to be refunded by the Whole Time Director.

Note 36. The Company has initiated proceedings for recovery of outstanding amount from certain trade receivables amounting to Rs. 5,332.38 million (March 31, 2017 Rs. 4,292.09 million), in respect of which the Company has created a provision of Rs. 3,919.40 million (March 31, 2017 Rs. 3,589.27 million), which in the opinion of the management is adequate to mitigate the risk of any possible non recovery from such receivables. Further, the Company has filed a legal case against one former employee for recovery of certain damages amounting to Rs. 15 million arising from stealing of Company's intellectual property right. The Company is hopeful of favourable outcome of such proceedings/case. However, the amount likely to be realized on settlement of such proceedings/case is currently not ascertainable realistically. The Company does not expect any adverse impact on the financial position as a consequence of these proceedings/case. The Company has recorded all expenses pertaining to legal & professional charges in respect of all such proceedings/case.

Note 37. In accordance with the provisions of the Insolvency and Bankruptcy Code (Insolvency Code), public announcement has been made for submission of proof of claims against the Company from financial creditors, operational creditors and employees and workmen. As per the Insolvency Code, the Resolution Professional (RP) has to receive, collate and admit all the claims submitted against the Company. Such claims can be submitted to the RP during the Corporate Insolvency Resolution Process (CIRP), till the approval of a resolution plan by Commitee of Creditors (CoC).

Till date of issue of these standalone financial statements, following claims have been filed against the Company by its creditors (financial and operational), workmen and employees.

	Claimed Amount	Admitted Amount	Not Admitted
Creditors (financial)	31,080.89	30,242.66	838.23
Creditors (operational)	219.84	164.13	55.70
Workmen and employees	77.40	30.93	46.47
	31,378.12	**30,437.72**	**940.41**

Note 38. The Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). Certain information have been requested by them from the Company and the investigations are currently underway. The Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing these financial statements.

Note 39. The Company has not carried out any internal audit during the year as required under sections 138 of the Act.

Note 40. The Company did not have a full time company secretary as on the date of approval of these Standalone Ind AS Financial Statements. Consequently, these standalone Ind AS Financial Statements could not be authenticated by a company secretary ensuring compliance with all applicable provisions of the Companies Act, 2013.

Note 41. The Company did not have a Chief Financial Officer (CFO) as on the date of approval of these Standalone Ind AS Financial Statements as required under section 203 of the Act. Consequently, these standalone Ind AS Financial Statements could not be authenticated by a CFO.

Note 42. The Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI LODR Regulations, 2015 and Foreign Exchange Management Act, 1999.

Note 43. The previous year figures have been regrouped, rearranged or reclassified wherever necessary to conform to current year's classification.

As per our report of even date.

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

Kunj B. Agrawal
Partner
Membership No.: 095829
Place: New Delhi
Date: March 11, 2021

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors
Educomp Solutions Limited

Mahender Kumar Khandelwal
Resolution Professional
Regn. No IBBI/IPA-001/IP-P00033/2016-17/10086
Place: New Delhi
Date: March 11, 2021

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