

Date: 29-05-2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001
Ref: Scrip Code: 533166

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
BKC, Bandra (E), Mumbai- 400 051
Ref: Symbol: SUNDARAM

Dear Sir,

Sub: Outcome of the Board Meeting

Pursuant to the provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we wish to inform you that the Board of Directors at their Meeting held today has transacted the following businesses:

1. Approved Audited Financial Results (Standalone and Consolidated) for the Quarter and Financial Year ended March 31, 2018.

Further we hereby enclose the following:

1. Audited Financial Results (Standalone and Consolidated) for the Quarter and Financial Year ended March 31, 2018.
2. Auditors Report on the Standalone and Consolidated Audited Financial Results for the Quarter and Financial Year ended March 31, 2018.
3. Statement on Impact of Audit Qualifications for the Standalone and Consolidated Financial Statement & Audit Report with Modified Opinion for the Financial Year ended March 31, 2018, pursuant to Regulation 33 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Meeting commenced at 4.00 p.m. and concluded at 6.45 p.m.

Kindly take the above information on your records.

Thanking you,
Yours faithfully,

For Sundaram Multi Pap Limited

AP Shah
Amrut P. Shah
Chairman & Managing Director



Independent Auditor's Report on IND AS Standalone Financial Results of Sundaram Multipap Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Sundaram Multipap Limited

1. We have audited the accompanying statement of Ind AS standalone financial results of **Sundaram Multipap Limited** (The Company) for the quarter and year ended 31st March, 2018 together with notes thereon ("the Statement"). The statement has been prepared by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with Ind AS Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement, based on our audit of such financial statements.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statement.

We believe that audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion.

4. The Company has invested a sum of Rs 38.70 crores in its wholly owned subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary is making losses and its net worth has been eroded substantially. The Company is required to make a provision for diminution in value of investment made in the subsidiary. However, the said provision is not made which is a departure from Ind-AS 109 (Financial Instruments). In view of above, we



are unable to comment upon the resultant impact on loss for the year, other equity and investment as at balance-sheet date as its impact is not ascertainable.

5. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the statement:

is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016;

Except for non-compliance of Ind AS-109 "Financial Instruments," give a true and fair view in conformity with the IndAS and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information of the Company for the year ended 31st March, 2018.

6. The comparative financial information of the Company for the year ended 31st March, 2017 included in the standalone financial results are based on the previously issued statutory financial statements audited by us prepared in accordance with the Companies (Accounting Standards) Rules, 2006 on which we have expressed an unmodified opinion dated 23rd May, 2017.

Further, we report that the figures for the quarter ended 31st March, 2018 and 31st March, 2017 represent the figures between the audited figures in respect of the full financial year ended 31st March, 2018 & 31st March, 2017 and the published unaudited year-to-date figures upto 31st December, 2017 & 31st December 2016 being the nine months period of the current and previous financial years.

For Bhuta Shah & Co LLP

Chartered Accountants

Firm Registration No. : W101474/W100100

Atul Gala

Atul Gala

Partner

Membership No : 048659



Place: Mumbai

Date: 29th May, 2018

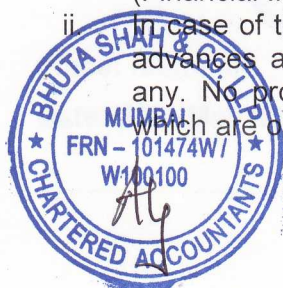
Independent Auditor's Report on Statement of Ind AS Consolidated Financial Results of the Sundaram Multi Pap Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF SUNDARAM MULTI PAP LIMITED

1. We have audited the Statement of Ind AS Consolidated Financial Results of **Sundaram Multi Pap Limited** (hereinafter referred to as "the Holding Company") and its subsidiary i.e. E-Class Education System Limited (the Holding Company and its subsidiary together are referred to as "the Group") being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified.
2. These consolidated financial results, which is the responsibility of the Holding Company's management and approved by the Board of Directors, has been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these Statement of Consolidated Financial Results based on our audit of such financial statements.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

4.
 - i. The Company has invested a sum of Rs 38.70 Crores in its wholly owned subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary is making losses and its net-worth has been eroded substantially. The Company is required to make a provision for diminution in value of investment made in the subsidiary. However, the said provision is not made which is a departure from Ind-AS 109 (Financial Instruments).
 - ii. In case of the subsidiary, the balances of trade receivable, trade payable & loans & advances are subject to confirmation, reconciliation & consequential adjustment, if any. No provision has been made in the financial statements for trade receivable which are outstanding since long and doubtful of recovery.



- iii. In case of the subsidiary, no provision is made for employees benefits as per Ind-AS 19 due to unavailability of Actuarial Report, which constitute a departure from the Ind-AS 19 "Employee Benefits".

In view of above, we are unable to comment upon the resultant impact of above on employee benefit expenses, loss for the year, trade receivable, trade payable, loans & advances, current & non-current liability, other equity and investment as at balance-sheet date.

5. In our opinion and to the best of our information and according to the explanations given to us the Statement:
- includes the consolidated financial results of the Group;
 - are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015;
 - Except for the effects of qualification given in Para 4 above, gives a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information of the Group for the year ended 31st March, 2018.
- 6.
- The comparative financial information of the Group for the year ended 31st March, 2017 included in the consolidated financial results are based on the previously issued statutory financial statements audited by us prepared in accordance with the Companies (Accounting Standards) Rules, 2006 on which we have expressed a modified opinion vide our report dated 23rd May, 2017.
 - The figures for the quarter ended March 31, 2018 and March 31, 2017 as reported in these financial results are the balancing figures between figures in respect of the full financial year and the published year to date figure up to the end of third quarter of the relevant financial year.

For Bhuta Shah & Co LLP

Chartered Accountants

Firm Reg. No.: W101474W/100100

Atul Gala

Atul Gala

Partner

Membership No. 048650



Place: Mumbai

Date: 29th May 2018



Education Revolution

CIN: L21098MH1995PLC086337

Sundaram Multi Pap Ltd.

R.O. 5/6 Papa Industrial Estate, Suren Road, Andheri (East), Mumbai - 400093. INDIA

Tel: 022 67602200, Fax: (91-22) 67602244, Email: info@sundaramgroups.in, Web: www.sundaramgroups.in

E ClassTM

Digital Education

Statement of Standalone & Consolidated Audited Financial Results for the Quarter & Year Ended 31st March 2018 (₹ in Lacs except EPS)

Sr. No.	Particulars	STANDALONE				CONSOLIDATED	
		Quarter Ended	Quarter Ended	Quarter Ended	Year Ended	Year Ended	Year Ended
		31-03-2018	31-12-2017	31-03-2017	31-03-2018	31-03-2017	31-03-2017
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	
I	Income from operations						
	a) Income from Operation (gross) (refer note 2)	3,274.29	1,514.86	2,966.90	10,720.61	9,696.28	10,937.55
	b) Other Income	150.82	17.44	109.46	221.64	148.63	266.81
	Total Income (NET)	3,425.11	1,532.30	3,076.36	10,942.25	9,844.92	11,204.37
II	Expenses:						
	a) Cost of materials consumed	2,430.98	1,301.12	1,986.30	6,997.86	6,204.73	7,037.70
	b) Purchase of Stock-in-Trade	273.59	28.35	149.43	1,518.41	309.31	1,518.41
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(363.67)	(285.58)	11.41	(753.40)	359.63	(753.40)
	d) Excise Duty (refer note 2)	-	-	74.84	75.05	261.74	75.05
	e) Employee Benefit Expense	151.71	158.26	102.42	534.88	373.36	600.90
	f) Finance Cost	201.37	226.43	213.34	860.86	1,003.75	269.44
	g) Depreciation & Amortisation	37.31	42.87	54.76	184.02	221.78	889.07
	h) Other Expenses	474.94	220.44	240.29	1,161.00	644.14	1,238.42
	Total Expenses	3,206.25	1,691.89	2,832.80	10,578.69	9,378.44	10,875.60
III	Profit/(Loss) from operations before exceptional items and tax (I-II)	218.86	(159.59)	243.56	363.56	466.48	328.77
IV	Exceptional items						
	Loss on sale / Obsolescence of inventories	0.00	-	-	(499.58)	(954.48)	(499.58)
	loans written off	(131.92)	-	20.64	(173.52)	-	(173.52)
	Loss on sale / Impairment of Fixed Assets	(0.00)	-	-	(1,176.98)	(15.51)	(1,176.98)
V	Profit/(Loss) from ordinary activities before tax (III-IV)	86.94	(159.59)	264.21	(1,486.53)	(503.51)	(1,521.31)
VI	Tax Expense						
	Current Tax	-	-	-	-	-	-
	(Excess)/Short Provision for earlier Years	(0.17)	-	5.13	(0.17)	(2.45)	(0.17)
	Deferred Tax	-	-	-	-	-	363.96
VII	Net Profit/(loss) for the period (V-VI)	87.11	(159.59)	259.08	(1,486.36)	(501.06)	(1,885.10)
VIII	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit or loss	2.07	(0.46)	(16.42)	0.69	(16.42)	0.69
	(ii) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other Comprehensive Income for the year	2.07	(0.46)	(16.42)	0.69	(16.42)	0.69
	Total Comprehensive Income for the period (VI+VIII)	89.18	(160.05)	242.66	(1,485.67)	(517.48)	(1,884.41)
IX	Paid-up Equity Share capital (Face value of the shares ₹ 1/- each)	2,716.06	2,687.80	2,456.06	2,716.06	2,456.06	2,578.58
X	Earnings per equity share						
	a) Basic	0.032	(0.059)	0.105	(0.547)	(0.204)	(0.731)
	b) Diluted	0.032	(0.059)	0.105	(0.547)	(0.204)	(0.731)
	See accompanying note to the Financial Results						

Notes:

1. The above audited results which are published in accordance with Regulation 33 of the SEBI (Listing Obligation & Disclosure Requirements), 2015 have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 29th May, 2018.

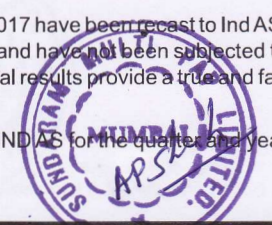
2. As per requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 and Indian Accounting Standards ('IND AS'), revenue for the corresponding preceding previous quarters and year ended 31st March 2017 are grossed up for central excise duty. With introduction of Goods and Services Tax ("GST") with effect from 1st July 2017 central excise ceased to exist from that date. As mandated by IND AS 18 on Revenue and Schedule III of Companies Act 2013, GST is not a part of revenue and hence quarter and year ended 31st March 2018 are not comparable. To facilitate comparison the following additional

Particulars	Quarter Ended			Year Ended		Year Ended	
	31 Mar 2016	31 Dec 2017	31 Mar 2017	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Revenue from operations	3,274.29	1,514.86	2,966.90	10,720.61	9,696.28	10,937.55	10,186.07
Excise duty included above	-	-	74.84	75.05	261.74	75.05	359.63
Revenue from operations excluding excise duty	3,274.29	1,514.86	2,892.06	10,645.57	9,434.54	10,862.51	9,826.44

3. The Company adopted Ind-AS from 1st April, 2017 and accordingly:

4. Pursuant to the SEBI circular CIR/CFD/FAC/62/2016 dated 5th July, 2016, the figures for quarter and year ended 31st March, 2017 have been recast to Ind AS, to the extent, applicable and have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 and have not been subjected to limited review or audit. However, the Company's Management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

5. The Reconciliation of net profit reported in accordance with Indian GAAP to total Comprehensive Income in accordance with IND AS for the quarter and year ended March 31, 2017 is given below :



Particulars	Standalone		Consolidated
	Quarter Ended 31-03-2017	Year Ended 31-03-2017	Year Ended 31-03-2017
Profit \ (Loss) After Tax as reported under Indian GAAP	354.90	(430.64)	(584.25)
Impact of Expected Credit Loss	4.38	0.00	0.00
Impact of Fair value Adjustment of Financial Assets	24.63	58.56	95.98
Impact of Depreciation And Amortization Expenses	25.07	100.28	100.28
Impact on Employee benefit plan	(0.45)	(0.45)	(0.45)
Others	(11.47)	(11.47)	(11.47)
Impact of Deferred tax expenses	(137.98)	(217.34)	(217.34)
Profit / (Loss) as per Ind AS (before OCI)	259.08	(501.06)	(617.25)
Other Comprehensive Income			
Item that will not be reclassified to Profit or Loss:			
Actuarial loss on defined benefit plan	(16.42)	(16.42)	(16.42)
Other Comprehensive Income for the year (Net of Tax)	(16.42)	(16.42)	(16.42)
Total Other Comprehensive Income for the period	242.66	(517.48)	(633.67)

5. Reconciliation of Equity as previously reported on account of transition from the previous Indian GAAP to Ind as for the year ended 31st March, 2017.

Particulars	Standalone	Consolidated
	Year Ended 31-03-2017	Year Ended 31-03-2017
Equity as reported under Previous GAAP	10,977.64	8,810.72
Impact of Expected Credit Loss	(414.86)	(414.86)
Impact of Fair value Adjustment of Financial Assets	(218.80)	(323.14)
Impact of Depreciation And Amortization Expenses	0.00	0.00
Impact on Employee benefit plan	(0.45)	(0.45)
Others	0.00	0.00
Impact of Deferred tax expenses	0.00	0.00
Profit / (Loss) as per Ind AS (before OCI)	10,343.53	8,072.27
Other Comprehensive Income		
Item that will not be reclassified to Profit or Loss:		
Actuarial loss on defined benefit plan	(16.42)	(16.42)
Other Comprehensive Income for the year (Net of Tax)	(16.42)	(16.42)
Equity as reported under Ind AS	10,327.11	8,055.85

6. (i) In case of Company, the Statutory Auditor has put qualification in the financial statements for the year ended 31st March, 2018 with regard to the investment of a sum of Rs 38.70 Crores in its wholly owned subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary is making losses and its net-worth has been eroded substantially. The Company is required to make a provision for diminution in value of investment made in the subsidiary. However, the said provision is not made which is a departure from Ind-AS 109 (Financial Instruments).

6. (ii) In case of Subsidiary Company, the Statutory Auditor has put qualification in the financial statements for the year ended 31st March, 2018 with regard to non provision in the financial statements for trade receivable which are doubtful of recovery.

7. In case of Subsidiary Company i.e. EClass Education System Limited, the Statutory Auditors have put qualification in the financial statements for the year ended 31st March, 2017 with regard to non provision of liability for employee benefits on the basis of actuarial valuation which is departure from Ind AS-19 (Employees Benefits)

8. Previous period's figures have been regrouped / reclassified, wherever necessary to make them comparable with the current quarter/half year.

9. The above financial results are available on the Stock Exchange website [BSE and NSE] and on the Company's website "www.sundaramgroups.in".



Place: Mumbai
Date: May 29, 2018

Amrut P. Shah
(Chairman & Managing Director)

(₹ in Lacs)

Statement Of Assets And Liabilities As At 31st March 2018

Particulars	Standalone		Consolidation	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
ASSETS				
Non-current assets				
Property, Plant and Equipment	5,254.93	5,413.90	5,286.10	5,453.94
Other Intangible assets	1.61	2.81	385.27	400.92
Intangible Asset under Development	-	-	-	-
Financial Assets				
Investments	3,870.00	3,870.00	-	-
Trade receivables	-	-	-	-
Loans	-	-	12.31	25.11
Other	-	967.57	-	967.57
Other Tax Assets	12.62	48.72	22.07	53.57
Deferred tax assets (net)	-	-	-	363.96
Total Non Current Assets	9,139.16	10,303.00	5,705.75	7,265.07
Current assets				
Inventories	3,673.30	2,460.70	3,947.96	2,750.26
Financial Assets				
Investments	-	-	-	-
Trade receivables	1,620.77	2,484.56	2,027.00	3,020.14
Loans	3.35	3.00	3.35	3.00
Cash and cash equivalents	3.21	15.81	14.76	21.13
Bank balances other than cash and cash equivalents	-	-	-	-
Others	946.33	36.20	1,342.88	416.14
Other current assets	94.33	247.78	142.16	264.70
Assets classified as held for sale	2,007.16	4,094.39	2,007.16	4,094.39
Total Current Assets	8,348.45	9,342.44	9,485.27	10,569.76
Total Assets	17,487.61	19,645.44	15,191.02	17,834.83
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	2,716.06	2,456.06	2,716.06	2,456.06
Other Equity				
Reserves and Surplus	6,918.39	7,871.05	4,248.38	5,599.79
Other reserves	-	-	-	-
Total Equity	9,634.45	10,327.11	6,964.44	8,055.85
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	1,025.02	1,529.15	1,025.02	1,529.15
Trade payables	-	-	-	-
Others	-	-	36.45	96.42
Provisions	27.87	25.28	27.87	25.28
Deferred tax liabilities (Net)	-	-	-	-
Total Non Current Liabilities	1,052.89	1,554.43	1,089.34	1,650.85
Current liabilities				
Financial Liabilities				
Borrowings	4,038.16	4,300.18	4,345.88	4,619.68
Trade payables	1,755.28	1,226.59	1,769.17	1,252.11
Other financial liabilities	604.14	1,792.37	604.14	1,792.37
Provisions	5.94	5.77	5.94	5.77
Other current liabilities	55.53	53.81	70.89	73.02
Total Current Liabilities	6,459.05	7,378.72	6,796.02	7,742.95
Liabilities directly associated with assets classified as held for sale	341.22	385.18	341.22	385.18
Total Equity and Liabilities	17,487.61	19,645.44	15,191.02	17,834.83



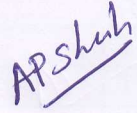

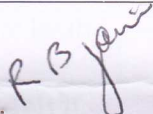





(₹ in Lacs)			
Consolidated Segment Wise Revenue, Results, Assets and Liabilities for year ended on 31st March 2018			
Sr. No.	Particulars	For Financial year ended on ...	
		31.03.2018 Audited	31.03.2017 Audited
1	Sement revenue [Net revenue from each Segment]		
	(a) Exercise note books & paper	10,720.61	9,696.28
	(b) Software for Educational Content	216.94	489.79
	Sub-Total	10,937.55	10,186.07
	(-) Inter-Segment revenue	-	-
	Net Sales / Income from operations	10,937.55	10,186.07
2	Sement results		
	(a) Exercise note books & paper	363.56	466.48
	(b) Software for Educational Content	(34.78)	39.41
	Sub-Total	328.77	505.89
	Exceptional Items	(1,850.08)	(969.99)
	(+) other unallocable income (net of unallocable expenditure)	-	-
	(-) Tax Expenses	(363.79)	(153.15)
	Total Profit After Tax	(1,885.10)	(617.26)
3	Segment Assets		
	(a) Exercise note books & paper	13,617.61	15,775.44
	(b) Software for Educational Content	1,573.41	2,059.39
	(c) Unallocated		
	Total	15,191.02	17,834.83
4	Segment Liabilities		
	(a) Exercise note books & paper	7,853.16	9,318.33
	(b) Software for Educational Content	373.42	460.65
	(c) Unallocated		
	Total	8,226.58	9,778.98



Statement on Impact of Audit Qualifications
(For audit report with modified opinion for Standalone Financial Statement)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	10,942.25	10,942.25
	2.	Total Expenditure	10578.69	10578.69
	3.	Net Profit/(Loss)	(1486.36)	(1486.36)
	4.	Earnings Per Share	(0.547)	(0.547)
	5.	Total Assets	17487.62	17487.62
	6.	Total Liabilities	17487.62	17487.62
	7.	Net Worth	9634.45	9634.45
	8.	Any other financial item(s) (as felt appropriate by the management)	--	--
II. Audit Qualification (each audit qualification separately):				
	A. Details of Audit Qualification for Consolidated Financial Statement:		(i) The Company has invested a sum of Rs 38.70 Crores in its wholly owned subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary is making losses and its net-worth has been eroded substantially. The Company is required to make a provision for diminution in value of investment made in the subsidiary. However, the said provision is not made which is a departure from Ind-AS 109 (Financial Instruments).	
	B. Type of Audit Qualification :		Qualified Opinion	
	C. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		First Time	
	D. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		Not Applicable	
	E. For Audit Qualification(s) where the impact is not quantified by the auditor:		(i) Wholly owned subsidiary has shown positive result in last financial year i.e. 2016-17 as compared to earlier years and hence the Management of the company is expecting positive growth & cash flow in upcoming years as well.	
	1.	Management's estimation on the impact of audit qualification:	It is unascertainable.	
	2.	If management is unable to estimate the impact, reasons for the same:	1. The Wholly owned subsidiary is going concern and the core product is in high demand in the market which will result into improved turnover & profitability in upcoming years so the estimation of the impact can't be ascertained.	
	3.	Auditor's Comments on (i) or (ii) above:	Though the Wholly owned subsidiary is making losses and its network is eroded substantially, it is still a going concern. Hence, estimation of the impact is not ascertainable as at balance sheet date.	



III.	Signatories:	
	Amrut P. Shah (Chairman & Managing Director)	 
	Rajesh B. Jain (Chief Financial Officer)	 
	CA Atul Gala Partner Bhuta Shah & Co. LLP Chartered Accountants (Statutory Auditors)	 
	Minjal V. Kadakia Independent Director (Chairperson of Audit Committee)	 

Statement on Impact of Audit Qualifications

(For audit report with modified opinion for Consolidated Financial Statement)

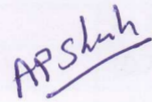

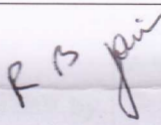
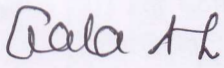

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2018

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	11,204.37	11,204.37
	2.	Total Expenditure	10,875.60	10875.60
	3.	Net Profit/(Loss)	(1,885.10)	(1,885.10)
	4.	Earnings Per Share	(0.731)	(0.731)
	5.	Total Assets	15,191.02	15,191.02
	6.	Total Liabilities	15,191.02	15,191.02
	7.	Net Worth	6,964.44	6,964.44
	8.	Any other financial item(s) (as felt appropriate by the management)	--	--
II.	Audit Qualification (each audit qualification separately):			
	A.	Details of Audit Qualification for Consolidated Financial Statement:	<p>(i) The Company has invested a sum of Rs 38.70 Crores in its wholly owned subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary is making losses and its net-worth has been eroded substantially. The Company is required to make a provision for diminution in value of investment made in the subsidiary. However, the said provision is not made which is a departure from Ind-AS 109 (Financial Instruments).</p> <p>(ii) In case of the subsidiary, the balances of trade receivable, trade payable & loans & advances are subject to confirmation, reconciliation & consequential adjustment if any. No provision has been made in the financial statements for trade receivable which are doubtful of recovery.</p> <p>(iii) In case of the subsidiary, no provision is made for employees benefits as per Ind-AS 19 due to unavailability of Actuarial Report, which constitute a departure from the Ind-AS 19 "Employee Benefits".</p>	
	B.	Type of Audit Qualification :	Qualified Opinion	
	C.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	(i)-First Time (ii)-First Time (iii)-Repetitive	
	D.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable	



	<p>E. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>	<p>(i) Wholly owned subsidiary has shown positive result in last financial year i.e. 2016-17 as compared to earlier years and hence the Management of the company is expecting positive growth & cash flow in upcoming years as well.</p> <p>(ii) Management of the Subsidiary considers the trade receivables as good and will be able to recover the same in near future.</p> <p>(iii) The Management of subsidiary is in process to adopt IND-AS 19.</p>
<p>1.</p>	<p>Management's estimation on the impact of audit qualification:</p>	<p>It is unascertainable.</p>
<p>2.</p>	<p>If management is unable to estimate the impact, reasons for the same:</p>	<p>1. The Wholly owned subsidiary is going concern and the core product is in high demand in the market which will result into improved turnover & profitability in upcoming years so the estimation of the impact can't be ascertained.</p> <p>2. Management of the Subsidiary considers the trade receivables as good and will be able to recover the same in near future hence impact of the same can't be ascertained.</p> <p>3. As Actuarial Report is not available, estimate of impact is not possible.</p>
<p>3.</p>	<p>Auditors' Comments on (i) or (ii) above:</p>	<p>1. Though the Wholly owned subsidiary is making losses and its net worth is eroded substantially, it is still a going concern. Hence, estimation of the impact is not ascertainable as at balance sheet date.</p> <p>2. Management of the Subsidiary considers the trade receivables as good though debtors are outstanding since long requiring provision to be made but they are confident that it will be able to recover the same in near future. Hence, impact of the same can't be ascertained.</p> <p>3. As Actuarial Report is not available, estimate of impact is not possible.</p>



III.	Signatories:	
	Amrut P. Shah (Chairman & Managing Director)	 
	Rajesh B. Jain (Chief Financial Officer)	
	CA Atul Gala Partner Bhuta Shah & Co. LLP Chartered Accountants (Statutory Auditors)	 
	Minjal V. Kadakia Independent Director (Chairperson of Audit Committee)	