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September 03, 2019

National Securities Depository Limited Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400 013.	Central Depository Services (India) Limited Marathon Futurex, A- Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai 400013

SUB:- Update on the Audited Consolidated Financial Results, of the Company, for the year ended on March 31, 2017.

Dear Sir,

On May 16, 2017, the company had filed a petition before the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi ("NCLT"), to initiate Corporate Insolvency Resolution Process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("Code") and NCLT vide its order dated May 30, 2017, admitted the petition and appointed Mr. Sanjiv Agarwal, as an Interim resolution Profession ("IRP").

The IRP carried out his duties from May 30, 2017 till Mahender Khandelwal (IP Registration No. IBBI/IPA-001/IP-P00033/2016-17/1086) took over the management of the affairs of the company, who was appointed as Resolution Professional ("RP") vide the order of NCLT dated September 12, 2017.

We would like bring to you notice that as per Section 17 and Section 18 of the Code, from the date of commencement of CIRP, the powers of the Board of Directors stand suspended and such powers as well as management of the affairs of the company vest in the IRP, until replaced by the RP.

Due to suspension the board, the consolidated financial results of the company for the year March 31, 2017 was duly signed, under the authorization from the Resolution Professional, on September 02, 2019. In this regard, please find attached herewith the complete audited consolidated financial results of the company, for the year ended on March 31, 2017 duly approved and signed.

You are requested to please take the same on record.

Thanking You,

For Educomp Solutions Limited

EDUCOMP SOLUTIONS LIMITED NEW DELHI

Yogesh Saluja
(Company Secretary)
Membership No:- A21916
Address:-3/206, Subhash Nagar, New Delhi-110027

Haribhakti & Co. LLP
Chartered Accountants

Consolidated Financial Statements of Educomp Solutions Limited

Statutory Audit For the year ended March 31, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Educomp Solutions Limited
Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of Educomp Solutions Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entity, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors and/or Resolution Professional of the Holding 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 Holding Company and the powers of the Board of Directors of the Holding 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 preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates and jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors and/or RP of the Holding Company, as aforesaid.

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Further, as per Section 134 of the Act, the consolidated 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 Insolvency Code, these powers are also vested with the RP. Accordingly, these Consolidated Ind AS Financial Statements are certified by Mr. Shantanu Prakash, Chairman and Director and approved by the RP [refer note 1 (a) of the Consolidated Ind AS Financial Statements and paragraph (a) under Emphasis of Matter].

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated 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 Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated 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 Holding Company's Board of Directors/management/RP (refer note 1 (a) of the Consolidated Ind AS Financial Statements and paragraph "(a)" under Emphasis of Matter paragraph), as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our adverse audit opinion on the Consolidated Ind AS Financial Statements.

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Basis for Adverse Opinion

I) **We refer to the following qualifications in respect of the Holding Company:**

a. The Holding Company has evaluated impairment of goodwill aggregating Rs. 9,342.01 million related to 2 of its subsidiaries companies namely, Educomp Infrastructure & School Management Limited (EISML) and Edumatics Corporation Inc using business valuations performed by its own assessment. The management is of the opinion that no provision for impairment is required in respect of goodwill on consolidation of these subsidiaries. However, in the absence of appropriate audit evidence including basis of critical assumptions and supporting for future projections considered in business valuation workings, we are unable to comment on the appropriateness of such business valuations and consequently, we are unable to comment upon appropriateness of carrying amount of aforesaid goodwill and possible impact of the same on the loss for the year ended March 31, 2017 and goodwill as on that date.

   Further, the Holding Company has not evaluated, impairment of goodwill aggregating Rs. 870.83 million related to 4 of its subsidiaries (also refer paragraph 'r' below), impairment of investment in its 1 associate aggregating Rs. 78.74 million and impairment of investment in its jointly controlled entity aggregating Rs. 572.80 million (also refer paragraph 'r' below). We have not been provided with any valuation reports/management assessment in relation to evaluation of impairment in such goodwill/investments, if any. In absence of such details, we are unable to comment upon appropriateness of carrying amount of such goodwill/investments and possible impact of the same on the loss for the year ended March 31, 2017 and goodwill/investments as on that date.

b. As on April 01, 2015, the Holding Company had its investments in India Education Fund amounting Rs. 425 million. This investment is classified as "Fair Value through Profit and Loss" and the carrying value of this investment as at April 01, 2015 is considered as its fair value. During the year ended March 31, 2016, this investment was sold for a consideration of Rs. 150 million. Considering the subsequent realization and in the absence of any other audit evidence substantiating the fair value considered as on April 01, 2015, we are unable to comment on the appropriateness of fair value considered by the Holding Company as at April 01, 2015 and its possible impact on the equity as at April 01, 2015 and the loss for the year ended March 31, 2016.

c. As regards trade receivables amounting Rs. 3,149.19 million (net of provision of Rs. 4,178.31 million) as on March 31, 2017, the management of the Holding Company is of the view that the same is good and recoverable in due course and hence no further provision is required. Out of the above, Rs. 1,200.14 million has been subsequently realized by the Holding Company till March 31, 2019. However, in the absence of appropriate audit evidence like balance confirmations, account reconciliation with the parties, and details of subsequent realization post March 31, 2019, we are unable

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to comment on the recoverability of balance outstanding trade receivables and the possible impact on the loss for the year ended March 31, 2017 and the equity as on that date.

As mentioned in Note 27 to the Consolidated Ind AS Financial Statements, the Holding Company is following 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 27 to the Consolidated Ind AS Financial Statements, however, we have not been provided with the workings of such loss rate computed by the Holding Company.

Further, the Holding Company has not taken effect of aforesaid loss rate in computation of impairment provision, if any, on trade receivables 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 non-considering effect of the loss rate in impairment provision on trade receivables as on March 31, 2017, March 31, 2016 and March 31, 2015 and the loss for the years ended March 31, 2017 and March 31, 2016 and on the equity as on those dates.

d. We have not received direct confirmations and bank statements for balance of margin money amounting Rs. 14.33 million, as at March 31, 2017. In the 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, 2017. Also refer Note 54 (a) to the Consolidated Ind AS Financial Statements.

e. Balance in current accounts amounting Rs. 374.77 million is subject to direct confirmation. Further, in case of current account with one of the bank (balance as at March 31, 2017 Rs. 343.65 million), an amount of Rs. 4.48 million being "cheques deposited but not cleared", is included in the said balance, and has been reversed subsequent to March 31, 2017. Considering that these cheques are not reflecting as dishonoured cheques in the bank statement of subsequent months, we are of the opinion that these cheques should not have been accounted as on March 31, 2017 and accordingly the balance of cash and cash equivalent is overstated by said balance with a corresponding understatement of balance of trade receivables/overstatement of advances from customer as on March 31, 2017. Also refer Note 54 (b) to the Consolidated Ind AS Financial Statements.

f. The Holding Company has not computed and provided for penal interest on defaults under borrowings as per the contractual terms of the underlying agreements. We are unable to determine the possible impact thereof on the loss for the year and borrowings and equity as at March 31, 2017. Also refer Note 54 (c) to the Consolidated Ind AS Financial Statements.

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g. We have neither got bank statements nor have been able to obtain direct confirmations for borrowings from banks and financial institutions amounting Rs. 6,458.54 million as at March 31, 2017. In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and the balance of borrowings and equity as at March 31, 2017. Also refer Note 54 (d) to the Consolidated Ind AS Financial Statements.

h. Balance in borrowings accounts amounting Rs. 4,457.88 million (other than amount covered in paragraph 'g' above) as at March 31, 2017 is subject to direct confirmations. Further, in case of borrowings amounting Rs. 5,911.94 million wherein we have received confirmations and/or bank statements, there are differences amounting Rs. 85.19 million (excess in books of accounts) in amount reported in confirmation/statement from that of amount recorded in the Consolidated Ind AS Financial Statements. In the absence of reconciliations and other alternative audit evidence, we are unable to comment on any possible impact thereof on the loss for the year and balance of such borrowings and equity as at March 31, 2017. Also refer Note 54 (e) to the Consolidated Ind AS Financial Statements.

i. As explained in Note 51 to the Consolidated Ind AS Financial Statements, as per the Insolvency Code, the RP of the Holding Company has received, verified and admitted the claims submitted by the financial and operational creditors, employees and workmen. These claims have been taken into cognizance by CoC, while approving the Resolution Plan of the Holding Company. The details of such claims have been disclosed in the said note. Pending approval of the Resolution Plan by Hon'ble NCLT, the impact of admitted claims on the outstanding liability as at March 31, 2017 and loss for the year ended on that date, has not been considered in the preparation of the Consolidated Ind AS Financial Statements.

   Further, deficit arising out of the final Resolution Plan as compared to the Net Worth of the Holding Company, if any, has not been taken in carrying value of assets as at March 31, 2017 and loss for the year ended on that date.

j. As explained in Note 51 to the Consolidated Ind AS Financial Statements, as per the Insolvency Code, the respective Resolution Professional of Edu Smart Services Private Limited (ESSPL), Educomp Learning Hour Private Limited (ELHPL) and EISML have to receive, collate and admit all the claims submitted by the creditors (Operational and Financial), employees and workmen of the Company. Such claims can be submitted to the respective Resolution Professional during the CIRP, till the approval of a resolution plan by CoC. The respective Resolution Professional is in the process of receiving, collating and verifying such claims, and shall subsequently admit verified claims as per the Insolvency Code. Accordingly, the impact of such claims, if any, which may arise subsequently, has not been considered in the preparation of the Consolidated Ind AS Financial Statements.

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k. In contravention to the provisions of Micro Small and Medium Enterprises Development (MSMED) Act, 2006, the Holding Company has not provided for interest amounting Rs. 5.62 million on account of late payment claimed by a MSMED supplier as at March 31, 2017. Also refer Note 54 (f) to the Consolidated Ind AS Financial Statements.

Further, in two cases of trade payables, we have not been provided with the appropriate reconciliation for the difference in amounts as reported in the said confirmations amounting to Rs. 5.31 million. In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and balance of trade payables and equity as at March 31, 2017. Also refer Note 54 (f) to the Consolidated Ind AS Financial Statements.

l. The Holding Company had received advance of Rs. 323.00 million from its jointly controlled entity, namely Educomp Raffles Higher Education Limited, in the financial year 2007-08 pursuant to an agreement for content development. The Holding Company had been recognizing Rs 8.08 million as revenue per quarter till year ended March 31, 2015 by adjusting the said advance. The Holding Company discontinued revenue recognition from financial year ended March 31, 2016 due to legal dispute with the joint venture partner. The remaining amount was disclosed as advance and shown as liability till quarter ended December 31, 2016. During the last quarter of the current year, the Holding Company has recognized revenue of Rs. 104.97 million by adjusting the balance advance; however, there is no evidence from recipient for services being provided during this period. This constitutes a departure from the paragraph 14 of Indian Accounting Standards (Ind AS) 18 "Revenue". In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and balance of advances and equity as at March 31, 2017. Also refer Note 54 (g) to the Consolidated Ind AS Financial Statements.

m. The Holding Company has given an advance of Rs. 190 million to a party for selling a land and development of commercial space pursuant to the agreement dated July 05, 2012 and Rs. 150 million to another party for providing services relating to academic and business operations of the Holding Company pursuant to the agreement dated July 05, 2012. During the current year, arbitration proceedings has been initiated by the concerned vendor against the Holding Company, however the same has been put on hold due to ongoing CIRP. Considering that these advances are pending for execution/settlement for a long period of time and other factors as mentioned above, we are unable to comment on the recoverability of such advances and any possible impact thereof on the loss for the year ended March 31, 2017 and equity as on that date. Also refer Note 54 (h) to the Consolidated Ind AS Financial Statements.

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n. The Holding Company had entered into an exclusive license and distribution agreement on August 01, 2015 with Digital Learning Solutions SDN BHD (DLS) for exclusive distribution post customization of the Holding 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 Holding Company in Kuala Lumpur Regional Center for Arbitration (KLRCA) stating the issues arising from the distribution agreement for non-providing of localize software for the Claimant'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, the Holding Company has recorded a liability of Rs. 407.73 million (USD 6 million) as "Judgment Debtors" and the same has been shown as an exceptional item in these Consolidated Ind AS Financial Statements. As informed to us, the above mentioned liability is mutually agreed by the Holding Company and the Claimant. However, we have not been provided with the details of claims made, responses filed by the Holding Company and negotiations between the parties leading to the acceptance of claim amounting to USD 6 million. In the absence of these details, we are unable to comment on the appropriateness of the said liability recorded. Also refer Note 54 (i) to the Consolidated Ind AS Financial Statements.

o. During the year ended March 31, 2017, pursuant to a negotiated settlement entered vide agreement dated July 22, 2016 between the Holding Company, ELHPL, ESSPL and others with ICICI Bank, the Holding Company has agreed to divest its entire shareholding of Rs. 346.87 million in Vidya Mandir Classes Limited (VMCL) (being 67% shareholding in VMCL), a subsidiary of the Holding Company, for a consideration of Rs. 905.65 million in 2 tranches as per the Share Purchase agreement dated July 25, 2016 entered with the buyer of VMCL investment. Till March 31, 2017, Rs. 163.40 million has been received by the Holding Company which represents consideration for approximately 13.4% shareholding in VMCL (Tranche A consideration).The Tranche A consideration is paid to ICICI Bank and the Holding Company has considered this amount as recoverable from ESSPL.

   Further, as detailed in Note 24 to the Consolidated Ind AS Financial Statements, the Holding Company is of the view that it is holding balance investment in VMCL i.e. 53.6% (Tranche B shares) "in trust" and has accounted for sale of Tranche B shares for Rs. 561.03 million (Tranche B consideration). The amount of Tranche B consideration Rs. 602.43 million (including Rs. 41.40 million related to unwinding of Tranche B consideration) has been shown under Other Financial Asset as "Receivable against investment sold".

   Pending receipt of consideration of Tranche B shares, the Tranche B shares of VMCL continues to be in the name of the Holding Company. Based on clause 2.3 (including sub clause (i) & (ii)) of the Share Purchase agreement and other stipulations, the said clause gives the purchaser a right of call option and specific performance upto March 31, 2019, however until a call option or specific performance is exercised, the

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transaction is not complete, the purchaser has not exercised such right till March 31, 2017. Further, the clauses of the Share Purchase agreement do not appear to cast any duty or obligation on the purchaser to purchase the Tranche B shares, which is also been confirmed by the legal view taken through Resolution Professional shared with us. We also understand that, completion of sale of Tranche B shares is also dependent upon settlement of dues of ICICI Bank by the Holding Company or by ELHPL. In view of above, we are unable to comment whether the sale of Rs. 724.43 million, profit on such sale of Rs. 144.86 million and interest income of Rs. 41.40 million relating to Tranche A and Tranche B shares should have been recognized by the Holding Company together with mandatory disclosures including as required under paragraph 19 of Ind AS 112 "Disclosure of interests in other entities" of the Group and its associates and jointly controlled entity. Further, in the absence of information related to consummation of above mentioned Share Purchase agreement post March 31, 2019 (as purchaser has right to call option and specific performance upto March 31, 2019 under Share Purchase agreement), we are unable to obtain evidence from subsequent events related to this transaction and accordingly unable to comment whether any adjustment or disclosure in required to be made in the accompanying Consolidated Ind AS Financial Statements.

p. As explained in Note 48 regarding managerial remuneration paid to one of the whole time directors of the Holding Company during the quarter ended June 30, 2015 and year ended March 31, 2015 in non-compliance with the requirements of Section 197 and Section 198 read with Schedule V to the Act and 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 Central Government's approval is yet to be obtained.

q. In regard to Note 30(f)(iii) to the Consolidated Ind AS Financial Statements, certain trusts/entities are not considered as related party by the Holding Company (hereinafter referred as "Trusts") under Ind AS 24 Related Party Disclosures (Ind AS 24). The Holding Company is of the view that the directors of the Holding 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 in respect of Group. The Holding Company had obtained a legal opinion, at the time of signing of the standalone financial statements of the Holding Company, to substantiate it's assessment of related party for these Trusts.

We have been provided with the updated information about the Trusts including Trust deeds, amendments there to, and minutes of the meeting of Board of Trustee, subsequent to the signing of the standalone financial statements of the Holding Company. Based on the various documents, one of the director of the Holding Company or his close family member's hold position as managing and/or life-time trustee in these Trusts. These Trusts documents have various clauses in respect of the powers and duties of board of trustees including managing trustee. Considering

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varied clauses in these Trusts documents, whether directors of the Holding Company exercise significant influence/control over these Trusts is a matter of legal interpretation. Under these circumstances, we are unable to form our view whether the following Trusts would be considered as related parties of the Holding Companies as per Ind AS 24 and consequently we are unable to comment upon the completeness of disclosure of related parties given in Note 30 to the Consolidated Ind AS Financial Statements.

Name of Trusts: Learning Leadership Foundation; Unnati Educational Trust; Shri Hare Educational Trust; Siya Ram Educational Trust; Sri Vasudev Educational Trust; Vigyan Education Trust; Naveen Shiksha Educational Trust; Learning Links Foundation; Education Quality Foundation of India; League India Education Foundation.

Further, these Trusts are not considered as related party as per the audited Ind AS Financial statements of subsidiaries of the Group, its associates and jointly controlled entity.

r. As fully explained in Note 55 and 37 of the Consolidated Ind AS Financial Statements, the financial information of current year relating to 2 subsidiaries namely, Savicca Inc. and The Learning Internet Inc. and 1 jointly controlled entity namely Educomp Raffles Higher Education Limited, are not available with the management/RP of the Holding Company and accordingly, Consolidated Ind AS Financial Statements are based on unaudited financial information of the said subsidiaries as at March 31, 2016 and unaudited financial information of the said jointly controlled entity as at June 30, 2015. In the absence of such financial information, we are unable to comment upon any possible impact of the same on the Consolidated Statement of Profit and Loss for the year ended March 31, 2017 and on the financial position including various mandatory disclosures of the Group and its associates and jointly controlled entity. Further to the aforesaid extent the consolidated financial performance are not comparable to the previous year.

s. We did not audit the Ind AS financial statements of 39 subsidiaries and an associate as considered in the Consolidated Ind AS Financial Statements (refer paragraph (a) of Other Matter below). These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management/RP of the Holding Company. In line with the requirement of SA 600 - "Using the Work of another Auditor", we have issued detailed questionnaire to auditors of these subsidiaries and associate, however, we haven't got response from the auditors of 35 subsidiaries and an associate. In the absence of such response, we are unable to perform audit procedures required under SA 560 - "Subsequent Events" for events occurred between the date of auditor reports' issued by those auditors and date of this Report. Hence, we are unable to comment whether this may lead to any possible adjustment or disclosure in these Consolidated Ind AS Financial Statements if these procedures would have been performed.

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t. The Preference shares issued by EISML to its minority shareholders amounting to Rs. 2,303.84 million as on March 31, 2017 is considered as equity component in these consolidated Ind AS financial instrument whereas in our view such preference shares are in the nature of compound financial instrument and hence the liability component should have been segregated and residual is to be considered as equity component. Accordingly, we are unable to comment on the possible impact of the same on the liability component of compound financial instruments, non-controlling interest and reserve & surplus as at March 31, 2017 and its corresponding impact on loss for the year ended March 31, 2017.

u. Refer Note 24 to the Consolidated Ind AS Financial Statements, wherein provision for advances of Rs. 36.78 million in respect of a subsidiary, is disclosed as an exceptional item. As per the management of the Holding Company this amount represents unreconciled balance which is subsequently corrected. Thus, to this extent the balances of the subsidiary is not reconciled as at the year end.

v. Refer Note 34 to the Consolidated Ind AS Financial Statements, wherein Rs. 43.08 million is disclosed in March 31, 2016 and Rs. 11.71 million is disclosed in April 01, 2015, as "other adjustments" under Reconciliation of total equity between previous GAAP and Ind AS. As the aforesaid items are unreconciled, we are unable to comment on the appropriateness of the said items and its impact on total equity as on March 31, 2017.

w. Refer, consolidated statement of changes in equity for the year ended March 31, 2017, wherein Rs. 12.49 million are disclosed as "other adjustments" under retained earnings, and consolidated statement of changes in equity for the year ended March 31, 2016 wherein Rs. 19.83 million and Rs. 13.84 million are disclosed as "other adjustments" under retained earnings and non-controlling interest respectively. As the aforesaid items are unreconciled, we are unable to comment on the appropriateness of the said items and its impact on total equity as on March 31, 2017.

x. Following mandatory disclosure are not given in the Consolidated Ind AS Financial Statements:

   i. Various disclosure with regard to goodwill and its impairment testing as required under paragraphs 126 to 136, as applicable, of Ind AS 36 "Impairment of Assets";

   ii. Various disclosure with regard to income tax as required under paragraphs 81 and 82, as applicable, of Ind AS 12 "Income Taxes";

   iii. Various disclosure with regard to defined benefit plans as required under paragraph 135, as applicable, of Ind AS 19 "Employee Benefits".

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iv. Various disclosure with regard to employee stock plans as required under paragraph 45, as applicable, of Ind AS 102 "Share based payments".

II) **We refer to the following qualifications which are included by the other statutory auditors of respective subsidiaries in the Basis of Qualification paragraph in their audit report:**

In respect of EISML, a Subsidiary Company:

y. As mentioned in Note 53 of the Consolidated Ind AS financial statements, as per the terms of Master Restructuring Agreement (MRA) dated December 28, 2013, entered into pursuant to approved Corporate Debt Restructuring Scheme to restructure debt of the EISML, certain property, plant and equipment of the EISML and EISML's subsidiaries have been identified for sale in a time bound manner. As per the valuation of such property, plant and equipment as evaluated and disclosed in the approved Corporate Debt Restructuring Package, some of the property, plant and equipment are expected to have lower realisable values than their carrying values, such property, plant and equipment having carrying value of Rs. 3,207.53 million as at March 31, 2017 are included in the property, plant and equipment.

The management has not carried any evaluation of impairment of these assets at the close of the year and no provision for impairment has been recorded.

As we are unable to obtain sufficient audit evidence about the extent of recoverability of carrying value of these assets, we are unable to determine whether any adjustments to these amounts are necessary.

z. Note 45 to the Consolidated Ind AS Financial Statements, wherein the EISML has considered its long outstanding trade receivables due from certain Trusts which are due for more than one year, as good and fully recoverable. In the absence of confirmations from the Trusts towards receivable of Rs. 1,632.20 million and loan of Rs. 1,019.95 million and the existence of dispute relating to these balances which is further corroborated from the payments being made by these Trusts from April 01, 2017 based on the fair rental valuation. Hence, we cannot comment on the recoverability of these balances.

aa. As mentioned in Note 50 of the Consolidated Ind AS Financial Statements, the management of EISML has not carried out recoverability assessment of an intangible asset in the form of brand 'Universal' held in its subsidiary named as Educomp APAC Services Limited.

As we are unable to obtain sufficient appropriate audit evidence about the extent of recoverability of carrying value of EISML investment in Educomp APAC Services

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Limited, we are unable to determine any adjustments to these amounts are necessary.

bb. Note 31(c) of the Consolidated Ind AS financial statements, which explains litigation filed by certain vendors and awards passed against the EISML, to whom EISML had made capital advances in earlier years, out of which Rs. 509.35 million is shown as recoverable.

cc. As mentioned in the Note 1(c)(iii) of the Consolidated Ind AS Financial Statements, the subsidiary of EISML, Knowledge Vistas Limited (KVL) had taken a land from Lavasa Corporation Limited (LCL) on lease vide lease agreement dated June 30, 2009 for a period of 999 years to construct an International Residential School. Further, KVL has entered into a sub-lease agreement with Gyan Kunj Education Trust (GKET) to sub-lease the building. As per the sub-lease agreement, GKET shall be liable to pay lease rental to KVL from the year in which it has cash surplus. GKET had started its operation in Academic Session 2011-12 but due to environment matter GKET decided to suspend its operation and waiting for favourable business opportunities.

These conditions indicate the existence of a material uncertainty regarding the KVL's ability to continue as a going concern. In view of management expectation of successful outcome and revival of its business, the financial statement of KVL has been prepared on a going concern basis.

However, in view of the above uncertainties, we are unable to comment on the ability of KVL to continue as going concern and consequential adjustment to the accompanying Consolidated Ind AS Financial Statements, if any that might have been necessary had the financial statements prepared on liquidation basis.

In respect of Educomp Asia Pacific Pte Ltd (EAPL), a Subsidiary Company

dd. State Bank of India, Singapore has issued notice to EAPL for non- payment of principal and interest thereon after the due dates and therefore term loan became Non Performing Assets effective from respective dates mentioned in such notice. Further, the period and amount of default has not been ascertained in the absence of relevant documents/confirmations.

ee. Note 1(c)(iv) to the Consolidated Ind AS Financial Statements, which explains that the High court of the Republic of Singapore on the grounds of insolvency vide its Order made on June 30, 2017, has ordered that the EAPL be wound up and appointed liquidators of the EAPL.

In view of the above factors along with other matters as set forth in said notice raise substantial doubt about the EAPL's ability to continue as a going concern and the adjustments to the accompanying Consolidated Ind AS Financial Statements are necessary under liquidation basis.

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Adverse Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, associates and jointly controlled entity, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the aforesaid Consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entity as at March 31, 2017, their consolidated loss including other comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in respect of the Holding Company:

a) Note 1(a) to the Consolidated Ind AS Financial Statements, wherein it is stated that CIRP has been initiated in case of the Holding Company vide an order of the principal bench of the NCLT dated May 30, 2017 under the provisions of the Insolvency Code. Pursuant to ongoing CIRP, the management of the affairs of the Holding Company and powers of Board of Directors of the Holding Company are now vested with the RP, who is appointed by the CoC. These Consolidated Ind AS Financial Statements have been prepared by the management of the Holding Company and certified by Mr Shantanu Prakash, Chairman and Director and approved by the RP.

b) Note 1(c)(i) to the Consolidated Ind AS Financial Statements, which indicates that the Holding Company, has incurred substantial losses, its net worth has been completely eroded, has defaulted in repayment of its loans and related interest, and has negative working capital. Further, subsequent to March 31, 2017, CIRP has been initiated, in case of the Holding Company, which is under process. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern. However, these Consolidated Ind AS Financial Statements have been prepared on a going concern basis for the reasons stated in the said note.

c) Note 1(d) and note 31(a) to the Consolidated Ind AS Financial Statements, considering the moratorium period, status of contingent liabilities of Holding Company other subsidiaries in CIRP has been updated till the date of approval of

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insolvency application of the Company under the Insolvency Code i.e. till May 30, 2017.

d) Note 56 to the Consolidated Ind AS Financial Statements, wherein some of the financial creditors who are part of the CoC have filled an application before the principal bench of Hon'ble NCLT and have requested to order an investigation of the Holding Company in respect of certain matters pertaining to audit qualifications and media reports. In respect of these cases, hearing has been completed and the order has been reserved as on date.

We draw attention to the following matter in respect of ESSPL, a Subsidiary Company:

e) Note 1(c)(vii) to the Consolidated Ind AS Financial Statements, subsequent to the balance sheet date of ESSPL, one of the financial creditors have filed an application under the provisions of the Insolvency Code with Hon'ble NCLT. The Hon'ble NCLT vide order dated June 27, 2018, approved the application and accordingly CIRP proceedings of ESSPL has been initiated. Currently, the CIRP of ESSPL is under process.

We draw attention to the following matter in respect of EISML, a Subsidiary Company:

f) Note 1(c)(ii) to the Consolidated Ind AS Financial Statements, subsequent to the signing of the financials of EISML, EISML filed an application under Section 10 of the Insolvency Code with Hon'ble NCLT Chandigarh Bench. The Hon'ble NCLT vide order dated April 25, 2018, approved the application and accordingly CIRP proceedings of EISML has been initiated. Currently, the CIRP of EISML is under process.

We draw attention to the following matter in respect of ELHPL, a Subsidiary Company of Educomp Online Supplemental Services Limited (EOSSL):

g) Note 1(c)(v) to the Consolidated Ind AS Financial Statements, subsequent to the signing of the financials of ELHPL, a CIRP has been initiated vide an order dated December 11, 2017 by principal Bench of Hon'ble NCLT under the provisions of 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 RP, who is appointed by the duly appointed CoC. The CoC has approved the resolution plan submitted by the Resolution Applicant and the same has been submitted to Hon'ble NCLT for approval. Currently, the CIRP of ELHPL is under process.

We draw attention to following matters to which the other statutory auditors of respective subsidiaries have drawn Emphasis of Matters in their audit report:

In respect of EISML, a Subsidiary Company:

h) Note 1(c)(ii) to the Consolidated Ind AS Financial Statement, wherein, the opinion of the management of the EISML, despite incurring substantial losses including during

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the current financial year, the Consolidated Ind AS Financial Statements have been prepared on a going concern basis in view of matters more fully explained in the said note.

i) Note 49 to the Consolidated Ind AS Financial Statements regarding managerial remuneration paid to one of the managing director of EISML during the year ended March 31, 2014 are in non-compliance with the requirements of Sections 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956 for which Central Government's approval has not been obtained.

In respect of ELHPL, a Subsidiary Company of EOSSL:

j) Note 1(c)(v) to the Consolidated Ind AS Financial Statements, wherein, in the opinion of the management of ELHPL, despite incurring substantial losses during the current financial year and erosion of net worth as at March 31, 2017, the financial statements have been prepared on a going concern basis in view of matters explained in the said note.

In respect of Educomp Intelliprop Ventures Pte Limited (EIVPL), Educomp Global FZE and Edumatics Corporation Inc., subsidiaries of the Holding Company

k) We draw attention to Note 1(c)(vi) to the Consolidated Ind AS Financial Statements, aforesaid entities have accumulated losses resulting in complete erosion of their net worth. Further, the Holding Company is under CIRP as per the provisions of Insolvency Code.

These factors raise substantial doubt about these entities ability to continue as a going concern in the foreseeable future. Considering, CIRP is in process of the Holding Company, financial statements of these entities have been prepared on going concern basis by their respective management.

Our opinion is not modified in respect of these matters.

Other Matters

(a) We did not audit the Ind AS financial statements of 39 subsidiaries whose Ind AS financial statements reflects total assets of Rs. 22,347.82 million and net assets of Rs. (2,160.66) million as at March 31, 2017, total revenues (including other income) of Rs. 1,342.14 million and net cash flows amounting to Rs. 2.92 million for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include Group's share of net loss of Rs. 9.96 million for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, in respect of an associate, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors

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whose reports have been furnished to us by the management/RP of the Holding Company and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

(b) We did not audit the Ind AS financial statements/financial information of 2 subsidiaries, whose Ind AS financial statements reflects total revenues (including other income) of Rs. 375.41 million and net cash flows amounting to Rs. 158.91 million for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include Group's share of net profit of Rs. 3.99 million for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, in respect of an associate, whose Ind AS financial statements/financial information have not been audited by us. These Ind AS financial statements/financial information are unaudited and have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary, and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on such unaudited Ind AS financial statements/financial information. In our opinion and according to the information and explanations given to us by the management, these Ind AS financial statements/financial information are not material to the Group.

(c) As fully explained in Note 55 and 37 of the Consolidated Ind AS Financial Statements and also refer paragraph 'r' of the basis of adverse opinion above, in case of 2 subsidiaries whose financial information reflects total assets of Rs. 696.24 million and net assets of Rs. (123.03) million as at March 31, 2017, total revenues (including other income) of Rs. Nil and net cash flows amounting Rs. Nil for the year ended on that date and in case of a jointly controlled entity whose share of net profit/loss of Rs. Nil for the year ended March 31, 2017, as considered in the Consolidated Ind AS Financial Statements, the financial information of such subsidiaries and jointly controlled entity for the year ended March 31, 2017 are not available with the management/RP of the Holding Company and accordingly, the Consolidated Ind AS Financial Statements for the year ended March 31, 2017 are based on unaudited financial information of the said subsidiaries as at March 31, 2016 and unaudited financial information of the said jointly controlled entity as at June 30, 2015, as furnished to us by the management/RP.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified (except as stated in paragraph (c) above) in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements/financial information certified by the management/RP.

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Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;

b. Except for the possible effects of the matters described in the Basis for Adverse Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

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

e. The matters described in the Basis for Adverse Opinion paragraph and Emphasis of Matter paragraph, in our opinion, may have an adverse effect on the functioning of the Group;

f. In respect of Holding Company, we have not received written representation from a director of the Holding Company as on March 31, 2017. In respect of the aforesaid director, in the absence of written representation received, we are unable to comment whether the aforesaid director is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act. For the remaining directors, on the basis of the written representations received from the directors, as on March 31, 2017, we report that none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act. However, in the absence of appropriate audit evidence, we are unable to comment whether such representations were taken on record by the Board of Directors of the Holding Company.

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Further, except for the matter described in paragraph 'r' of the Basis for Adverse Opinion paragraph above, on the basis of the reports of the statutory auditors of subsidiary companies and associate company incorporated in India, none of the directors of the subsidiary companies and associate company incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) 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 and Emphasis of Matter paragraph above;

h. With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associates and the operating effectiveness of such controls, we give our separate report in the "Annexure"; 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) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 31 to the Consolidated Ind AS Financial Statements. Also refer paragraph "i" & "j" under Basis of Adverse Opinion paragraph and paragraph "(c)" under Emphasis of Matter paragraph, on Contingent Liabilities;

(ii) Except for the possible effects of the matters described under Basis of Adverse Opinion paragraph above, provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 15.2 to the Consolidated Ind AS Financial Statements in respect of such items as it relates to the Group and its associates;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate company incorporated in India; and

(iv) The Holding Company and its subsidiary companies incorporated in India have provided the requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Holding Company and its subsidiary companies and associate company far as it appears from our examination of those books and

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the reports of the other auditors. (Refer note 41 to the Consolidated Ind AS Financial Statements)

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

Raj Kumar Agarwal
Partner
Membership No.: 074715
UDIN: 19074715AAAACQ1435

Place: New Delhi
Date: September 02, 2019

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 Consolidated Ind-AS Financial Statements for the year ended March 31, 2017]

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")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Group and its associate, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Group, its associate companies and jointly controlled entity, which are companies incorporated in India, are 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 the respective 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a

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material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified opinion

a) According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the Holding Company's internal financial controls over financial reporting as at March 31, 2017:

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1) The Holding Company did not have an appropriate design in the internal control system for measuring impairment provision on trade receivables as per Expected Credit loss (ECL) model which could potentially result in the misstatement of its trade receivables.

2) The Holding Company did not have an appropriate design in the internal control system for obtaining vendor confirmations, and their reconciliation with books of accounts at regular intervals which could potentially result in misstatement of its trade payables.

3) The Holding Company's design of internal financial controls with respect to documenting the process of carrying out impairment of, goodwill related to its subsidiaries, investments in associates and jointly controlled entity, and maintaining appropriate documentation for the same was not effective, which could potentially result in misstatement of its carrying amount of goodwill/investments.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described in para (a) above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting as of March 31, 2017, 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 ICAI, and except for the possible effects of the material weakness described in para (a) above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2017.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 Consolidated Ind AS Financial Statements of the Company, and these material weaknesses have affected our opinion on the Consolidated Ind AS Financial Statements of the Company and we have issued an adverse opinion on the Consolidated Ind AS Financial Statements.

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Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to

- 33 subsidiary companies, and 1 associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India;

- 2 subsidiary companies and 1associate, which are companies incorporated in India and whose financial statements have not been audited by us and have been furnished to us by the Management, we are unable to comment on the adequacy and operating effectiveness of the internal financial controls over financial reporting; and

- 1 jointly controlled entity, which is company incorporated in India and whose financial information for the year ended March 31, 2017 are not available with the management (also refer para (C)of the Other Matters in "Independent Auditors Report"), 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 said jointly controlled entity.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Raj Kumar Agarwal

Partner

Membership No. 074715

UDIN : 19074715AAAACQ1435

Place : New Delhi

Date : September 02, 2019

Educomp Solutions Limited
Consolidated Balance sheet as at March 31, 2017

(Rs. in millions unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	11,417.57	11,525.57	12,130.47
Capital work-in-progress	4	428.67	446.91	471.09
Goodwill	5	10,243.30	10,609.80	10,683.98
Other Intangible assets	5	969.12	1,186.68	1,567.69
Investment in Equity Shares accounted using Equity Method	6.1	846.66	661.43	691.64
Financial assets				
i) Investments	6.1	-	-	425.00
ii) Loans	6.2	559.17	929.76	1,262.42
iii) Trade receivables	6.3	-	-	4,907.81
iv) Other financial Assets	6.4	1,166.42	539.75	589.88
Deferred tax assets (net)	25	129.77	130.34	130.88
Non-current tax assets (net)	7	147.74	181.48	187.68
Other non-current assets	8	739.17	873.34	889.18
Total		26,647.59	27,085.06	33,937.72
Current assets				
Inventories	9	107.17	833.30	897.51
Financial assets				
i) Trade receivables	6.3	6,732.45	11,667.74	11,025.34
ii) Cash and Cash equivalents	6.5	939.25	1,217.37	1,680.05
iii) Bank balances other than (ii) above	6.6	17.13	32.11	60.72
iv) Loans	6.2	616.28	454.99	411.03
v) Other Financial Assets	6.4	332.17	917.73	376.06
Current tax assets (net)	10	51.56	47.71	82.32
Other current assets	11	197.00	324.81	624.58
Total		8,993.01	15,495.76	15,157.61
Total Assets		35,640.60	42,580.82	49,095.33
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	12	244.93	244.93	244.93
b) Other equity	13			
i) Equity component of compound financial instruments		524.45	502.72	330.51
ii) Reserves and surplus		1,402.09	4,419.43	8,489.34
Equity attributable to owners of the company		**2,171.47**	**5,167.08**	**9,064.78**
Non controlling interest		(10,102.33)	(5,412.56)	(5,047.99)
Total Equity		**(7,930.86)**	**(245.48)**	**4,016.79**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
i) Borrowings	14.1	9,248.65	9,429.89	17,419.47
ii) Other financial liabilities	14.3	-	-	9.31
Provisions	15	44.27	191.37	741.33
Other non-current liabilities	16	186.76	263.75	220.69
Total		9,479.68	9,885.01	18,390.80
Current liabilities				
Financial liabilities				
i) Borrowings	14.1	1,348.12	1,083.72	2,107.01
ii) Trade payables	14.2			
Due to micro, small and medium enterprises		7.90	2.58	0.95
Due to others		1,547.93	1,002.73	1,148.83
iii) other financial liabilities	14.3	29,729.14	29,127.67	22,004.83
Provisions	15	267.06	471.46	544.95
Other current liabilities	16	1,191.63	1,253.13	881.17
Total		34,091.78	32,941.29	26,687.74
Total liabilities		43,571.46	42,826.30	45,078.54
Total Equity and liabilities		35,640.60	42,580.82	49,095.33

Significant accounting policies 1, 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/100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: New Delhi
Date: September 02, 2019

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

Shantanu Prakash
Chairman and Director
(DIN: 00983057)

V. K. Dandona
Whole Time Director
(DIN: 06730804)

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

Yogesh Saluja
Company Secretary

Educomp Solutions Limited
Consolidated Statement of Profit and loss for the year ended March 31, 2017

(Rs. in millions unless otherwise stated)

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
I. Revenue from operations	17	2,924.16	4,947.09
II. Other Income	18	850.00	1,280.66
III. Total Income (I + II)		3,774.16	6,227.75
IV. Expenses			
Purchase of stock-in-trade	19	463.13	515.22
Changes in inventories of work in progress and stock-in-trade	20	65.56	(50.36)
Employee benefit expense	21	1,345.26	2,249.00
Finance cost	22	3,750.78	4,009.51
Depreciation and amortisation expense	3, 5	451.87	694.03
Other expense	23	1,723.13	4,394.20
Total expenses (IV)		7,799.73	11,811.60
V. Loss before exceptional items, share of net loss of investment accounted for using equity method and tax (III - IV)		(4,025.57)	(5,583.85)
VI. Share of loss of associates (net of tax)	37	(5.97)	(15.96)
VII. Share of loss of Joint venture (net of tax)	37	-	(14.30)
VIII. Loss before exceptional items and tax (V - VI -VII)		(4,031.54)	(5,614.11)
IX. Exceptional items	24	3,773.69	781.17
X. Loss before tax (VIII - IX)		(7,805.23)	(6,395.28)
XI. Tax expense	25		
a) Current tax		11.46	50.50
b) Current tax for earlier years		-	(190.59)
c) Deferred tax		(0.04)	0.54
XII. Loss for the year (X - XI)		(7,816.65)	(6,255.73)
XIII. Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Re-measurement of the defined benefit plan		24.61	0.24
Income tax relating to Items that will not be reclassified to profit or loss		-	-
ii. Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		17.76	(179.65)
Income tax relating to items that will be reclassified to profit or loss		-	-
iii. Share of loss of associates and Joint venture (net of tax)		0.02	0.05
XIV. Total comprehensive loss for the year (XII + XIII) (Comprising Loss and Other Comprehensive Income for the year)		(7,774.26)	(6,435.09)
Loss attributable to :			
Owners of the company		(3,353.33)	(5,584.50)
Non controling interest		(4,463.32)	(671.23)
Other comprehensive income attributable to :			
Owners of the company		43.14	(187.06)
Non controling interest		(0.75)	7.70
Total comprehensive loss attributable to :			
Owners of the company		(3,310.19)	(5,771.56)
Non controling interest		(4,464.07)	(663.53)
Earnings per equity share	52		
a) Basic		(27.38)	(45.60)
b) Diluted		(27.38)	(45.60)
Significant accounting policies	1, 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/100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: New Delhi
Date: September 02, 2019

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

Shantanu Prakash
Chairman and Director
(DIN: 00983057)

V. K. Dandona
Whole Time Director
(DIN: 06730804)

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

Yogesh Saluja
Company Secretary

Educomp Solutions Limited
Consolidated Statement of Changes in equity for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

A.) Equity share capital

A.) Equity share capital	Amount
As at April 01, 2015	244.93
Changes in equity share capital	-
As at March 31, 2016	244.93
Changes in equity share capital	-
As at March 31, 2017	244.93

B.) Other equity

Particulars	Equity Component of Compounded financial instruments	Reserves & Surplus							Item of Other Comprehensive Income	Total attributable to to owners of the company	Non controling interest	Total equity
		Capital Reserve	Security premium reserve	Employee stock option outstanding account	General reserve	FCMITDA	Cumulative Preference Share Dividend Reserve	Retained earnings	Foreign currency translation reserve			
Balance as at April 01, 2015	330.51	514.22	18,227.25	143.82	1,429.78	(736.11)	-	(11,089.62)	-	8,819.85	(5,047.99)	3,771.86
Loss for the year	-	-	-	-	-	-	-	(5,584.50)	-	(5,584.50)	(671.23)	(6,255.73)
Other comprehensive income for the year												
- Re-measurement of the defined benefit plan	-	-	-	-	-	-	-	0.36	-	0.36	(0.07)	0.29
- Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(187.42)	(187.42)	7.77	(179.65)
Total comprehensive loss for the year	-	-	-	-	-	-	-	(5,584.14)	(187.42)	(5,771.56)	(663.53)	(6,435.09)
On issue of shares (including shares issued under employee stock option schemes)	-	-	1,700.76	-	-	-	-	-	-	1,700.76	-	1,700.76
Employee stock compensation provided	-	-	-	35.64	-	-	-	-	-	35.64	-	35.64
Employee stock option forfeited	-	-	-	(84.30)	84.30	-	-	-	-	-	-	-
Foreign currency monetary item translation difference created during the year	-	-	-	-	-	(299.37)	-	-	-	(299.37)		(299.37)
Foreign currency monetary item translation difference amortised during the year	-	-	-	-	-	193.74	-	-	-	193.74	-	193.74
Adjustment for change in ownership interest	-	-	-	-	-	-	-	51.05	-	51.05	(39.06)	11.99
Proposed dividends paid during the year	-	-	-	-	-	-	-	-	-	-	(20.78)	(20.78)
Other Adjustments	-	-	-	-	-	-	-	19.83	-	19.83	13.84	33.67
Issue of preference share to Non controlling interest	-	-	-	-	-	-	-	-	-	-	344.96	344.96
Equity component of compounded financial instruments issued during the period	172.21	-	-	-	-	-	-	-	-	172.21	-	172.21
Total Additions/(Deletions) during the year.	172.21	-	1,700.76	(48.66)	84.30	(105.63)	-	(5,513.26)	(187.42)	(3,897.70)	(364.57)	(4,262.27)
Balance as at March 31, 2016	502.72	514.22	19,928.01	95.16	1,514.08	(841.74)	-	(16,602.88)	(187.42)	4,922.15	(5,412.56)	(490.41)
Loss for the year	-	-	-	-	-	-	-	(3,353.33)	-	(3,353.33)	(4,463.32)	(7,816.65)
Other comprehensive income for the year												
- Re-measurement of the defined benefit plan	-	-	-	-	-	-	-	24.65	-	24.65	(0.02)	24.63
- Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	18.49	18.49	(0.73)	17.76
Total comprehensive loss during the year	-	-	-	-	-	-	-	(3,328.68)	18.49	(3,310.19)	(4,464.07)	(7,774.26)
On issue of shares (including shares issued under employee stock option schemes)	-	-	-	-	-	-	-	-	-	-	-	-
Employee stock compensation provided	-	-	-	13.79	-	-	-	-	-	13.79	-	13.79
Employee stock option forfeited	-	-	-	(28.11)	28.11	-	-	-	-	-	-	-
Foreign currency monetary item translation difference created during the year	-	-	-	-	-	119.54	-	-	-	119.54	-	119.54
Foreign currency monetary item translation difference amortised during the year	-	-	-	-	-	209.97	-	-	-	209.97	-	209.97
Impact of loss of control in a subsidiary	-	(62.94)	-	-	-	-	-	-	-	(62.94)	(40.93)	(103.87)

Educomp Solutions Limited

Consolidated Statement of Changes in equity for the year ended March 31, 2017

(Rs. In millions unless otherwise stated)

Particulars	Equity Component of Compounded financial instruments	Reserves & Surplus							Item of Other Comprehensive Income	Total attributable to to owners of the company	Non controling interest	Total equity
		Capital Reserve	Security premium reserve	Employee stock option outstanding account	General reserve	FCMITDA	Cumulative Preference Share Dividend Reserve	Retained earnings	Foreign currency translation reserve			
Impact of sale of investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	(119.00)	(119.00)
Money refunded against Share Warrant	-	-	-	-	-	-	-	-	-	-	(66.67)	(66.67)
Other adjustments	-	-	-	-	-	-	-	12.49	-	12.49	0.90	13.39
Equity component of compounded financial instruments issued during the period	21.73	-	-	-	-	-	-	-	-	21.73	-	21.73
Total Additions/(Deletions) during the year.	**21.73**	**(62.94)**	**-**	**(14.32)**	**28.11**	**329.51**	**-**	**(3,316.19)**	**18.49**	**(2,995.61)**	**(4,689.77)**	**(7,685.38)**
Balance as at March 31, 2017	**524.45**	**451.28**	**19,928.01**	**80.84**	**1,542.19**	**(512.23)**	**-**	**(19,919.07)**	**(168.93)**	**1,926.54**	**(10,102.33)**	**(8,175.79)**

As per our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:103523W/100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

Place: New Delhi
Date: September 02, 2019

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

Shantanu Prakash
Chairman and Director
(DIN: 00983057)

N. K. Dandona
Whole Time Director
(DIN: 06730804)

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

Yogesh Saluja
Company secretary

EDUCOMP SOLUTIONS LIMITED
NEW DELHI

Educomp Solutions Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Cash flows from operating activities		
Net (Loss) before taxation and after prior period as per Statement of Profit and Loss	(7,805.23)	(6,395.28)
Adjusted for :		
Share of loss of associate & joint venture	5.97	30.26
Exceptional items - credit balance written back	-	(145.89)
Exceptional items - loss on sale of investments	-	275.00
Exceptional items - penalty under settelment	407.73	-
Exceptional items - provision for doubtful debts	3,123.64	-
Exceptional items - Provision for obselence inventory	649.21	-
Exceptional items - bad debt written off	82.32	342.64
Exceptional items - loan advances written off	59.87	309.42
Exceptional items - loan liability written back	(250.00)	-
Exceptional items - profit on sale of investment	(144.86)	-
Exceptional items - Provision for advances	36.78	-
Exceptional items - Gain associated with loss of control of an investment	(191.00)	-
Provision for doubtful debts/advances	35.46	1,563.93
Provision for capital work in progress	-	9.15
Provision for Inventory	(4.83)	(12.53)
Provisions/credit balances written back	(171.14)	(293.07)
Loan liability written back	-	(148.98)
Bad debts and advances written off	101.15	181.63
Depreciation and amortisation expense	451.87	694.03
Net foreign exchange effects	150.00	212.85
Interest and other income	(456.03)	(670.78)
Finance costs	3,750.59	4,005.98
ESOP amortisation cost	13.79	35.64
Interest on income tax written off	(9.75)	(9.10)
Profit on sale of fixed assets	(147.70)	(0.55)
Profit on sale of investment	-	(92.85)
Other non cash expenses	5.08	(0.09)
Operating loss before working capital changes	(307.08)	(108.59)
Adjusted for :		
(Increase)/decrease in trade receivables, loans, other financial assets & other assets	(5,841.49)	2,511.96
Decrease in bank balances other than cash and cash equivalents (restricted bank deposits)	14.98	26.80
Increase in trade & other payables, financial liabilities, others liabilities and provisions	7,683.61	90.77
Decrease in inventory	70.38	76.75
Cash generated from operations	1,620.40	2,597.69
Taxes refund /(paid) net	135.99	221.52
Net cash generated from operating activities (A)	1,756.39	2,819.21
Cash flows from investing activities		
Purchase of property, plant & equipments, other intangible assets (including capital work in progress)	(153.59)	(246.44)
Proceeds from sale of fixed assets	647.16	81.42
Sale of investment in other companies	-	149.91
Sale of investment in subsidiary/associate (refer note 2 below)	(217.47)	775.58
Impact of loss of control {refer not 35 A (a)}	(54.90)	-
Interest received	34.13	46.53
Loans repaid (including interest)	329.79	73.24
Share application money given	(0.14)	-
Net cash generated from investing activities (B)	584.98	880.24
Cash flows from financing activities		
Proceeds of long-term borrowings	-	216.54
Promoter contribution received (including debt and equity component of compounded financial instruments)	30.00	230.00
Repayment of long-term borrowings	(1,046.61)	(2,065.18)
Financing against stocks/book debts (working capital)	-	1,070.80
Payment of dividend (including dividend tax)	(0.38)	(19.24)
Interest on borrowings	(1,791.76)	(2,962.78)
Proceeds/(repayment) of short-term borrowings	37.03	102.21
Proceeds from issue of preference shares/ Equity Shares (including securities premium)	-	356.32
Share application money received (net of refund)	-	8.33
Money returned against share warrants (Refer note 38)	(66.67)	-
Net cash used in financing activities (C)	(2,838.39)	(3,063.00)
Effect of exhange rate changes (D)	(9.69)	26.61
Net (decrease)/increase in cash and cash equivalents (A+B+C+D)	(506.71)	663.06
Opening cash and cash equivalents	257.86	(404.95)
Exchange difference on translation of foreign currency cash and cash equivalents	1.23	(0.25)
Closing cash and cash equivalents	(247.62)	257.86

EDUCOMP SOLUTIONS LIMITED NEW DELHI

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

Significant accounting policies and notes to the accounts

Reconciliation of components of cash and cash equivalents

	As at March 31, 2017	As at March 31, 2016
Balances with banks-on current accounts		
Balances with banks-on current accounts (Refer note 6.5)	930.95	1,201.34
Cash on hand (Refer note 6.5)	2.26	5.38
Stamp in hand (Refer note 6.5)	0.89	0.89
Cheques/draft on hand (Refer note 6.5)	5.15	9.76
Bank overdrafts (Refer note 14.1)	(1,186.87)	(959.51)
	(247.62)	257.86

Notes:

1) Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

2) During the year ended March 31, 2017,the Holding Company has divested its entire shareholding in Vidya Mandir Classes Limited (VMCL) (being 67% shareholding in VMCL), a subsidiary of the Holding Company. It comprises of amount received Rs.163.39 million from sale of Tranches A shares, which is further adjusted with cash lying with VMC of Rs. 380.86 million. Refer Note 24(B)

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date.
For Haribhakti & Co LLP

Chartered Accountants
ICAI Firm Registration No.:103523W/100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: New Delhi
Date: September 02, 2019

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

Shantanu Prakash
Chairman and Director
DIN: 00983057

V. K. Dandona
Whole Time Director
DIN: 06730804

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

Yogesh Saluja
Company Secretary

Educomp Solutions Limited

Notes to the Consolidated Ind AS Financial Statements for the year ended March 31, 2017

Background

Educomp Solutions Limited ("the Holding Company") is a public limited company domiciled in India with its Registered Office located at 1211, Padma Tower, I5 Rajendra Place, New Delhi 110008. The Company was founded in India in September, 1994.

The Company together with its Subsidiaries, Associates and Joint Ventures is hereinafter referred to as the "Group".

The Group is principally 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's Equity Share are listed with Bombay Stock Exchange Limited (BSE) and the National Stock Exchange (NSE) in India.

1. **Basis for preparation**

   a) **Statement of compliance**

   These Consolidated Ind AS Financial Statements 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.

   Upto the year ended March 31, 2016, the Group prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or Previous GAAP).

   As these are the Group's first financial statements prepared in accordance with Ind AS, the previous year numbers in the financial statements have been restated to Ind AS in accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards". The Group has presented a reconciliation of how the transition to Ind AS effected the previously reported financial position; financial performance and cash flows of the Group as at March 31, 2016 and April 1, 2015 (the Group's date of transition) are provided in Note 34 to the Consolidated financial statement.

   A corporate insolvency resolution process ("CIRP") has been initiated in case of the Holding 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"). Pursuant to the said and other subsequent orders, the management of the affairs of the Holding Company and powers of board of directors of the Holding Company are now vested with the Resolution Professional ("RP"), who is appointed by the duly appointed Committee of Creditors ("CoC"). These Consolidated Ind AS financial statements have been prepared by the management of the Holding Company and certified by Mr. Shantanu Prakash, Chairman and Director. The RP has relied upon the assistance provided by the members of the board of directors in review of these Consolidated Ind AS financial statements and certification, representation and statements made by Mr. Shantanu Prakash in relation to these Consolidated Ind AS financial statements. These consolidated Ind AS financial statements for the year ended March 31, 2017 have been approved by the RP on April 04, 2019 basis his evaluation and also relying on the aforesaid certifications, representations and statements of the management of the Holding Company.

b) **Historical cost convection**

The Consolidated financial statements have been prepared under the historical cost convention on accrual basis, unless otherwise stated.

c) **Going concern**

i. **In respect of ESL, the Holding Company**

The Holding 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 Insolvency and Bankruptcy Code(IBC) under Section 10 for CIRP. All these conditions have raised substantial doubt about the Company's ability to continue as a going concern.

On May 30, 2017, the Company's application for CIRP under the Insolvency Code has been approved by NCLT and accordingly CIRP proceedings have been initiated in case of the Company (for details refer note 1(a) above). As per the provisions of the IBC, under CIRP, 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.

Resultant Resolution Plans were submitted by two applicants. Out of which, one of the Resolution Plan was approved by the CoC in its twelfth meeting held on February 17, 2018 for which e-voting results were declared on February 22, 2018. The RP has since filed the aforesaid approved Resolution Plan of Successful Resolution Applicant for approval of Adjudicating Authority (Hon'ble NCLT) on March 07, 2018. The order is still awaited.

The management/RP of the Holding Company is confident that the aforesaid Resolution Plan would be approved by Hon'ble NCLT. Further, the management of the holding company/RP is of the view that the Company would be able to fund its operational liabilities till the approval of Resolution plan from its internal accrual of funds.

Accordingly, the Consolidated Ind AS financial statements for the year ended March 31, 2017 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.

ii. **In respect of Educomp Infrastructure & School Management Limited (EISML), a Subsidiary Company of ESL:**

EISML has incurred losses during the year and defaulted in servicing of its debt obligation towards lenders and entered into 5-25 scheme with its lenders for restructuring of its debt. However EISML has not able to meet cash flows as envisaged in 5-25 scheme and defaulted in servicing its debts during the year.

Based on projected cash flows, it shall have sufficient funds to run its operations in foreseeable future. As regards availability of requisite funds to meet its debt related obligations overdue and including those falling due in year 2016-17 as per the CDR package executed with lenders, it intends to monetize its assets identified for sale to meet the necessary obligations. The Company is also taking several measures to improve operational efficiencies and other avenues of raising funds.

EISML is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow to discharge its short-term and long term liabilities and recover & recoup the erosion in its net worth through profitable operations and continue as a going concern. Accordingly, these consolidated financial results have been prepared considering its financial statement 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 Company is unable to continue as a going concern.

Subsequent to the signing of the financials of EISML, it filled an application under section 10 of the Insolvency Code with Hon'ble NCLT Chandigarh Bench. The Hon'ble NCLT vide order dated April 25, 2018, approved the application and accordingly CIRP proceedings of EISML has been initiated. Currently, the CIRP of EISML is under process.

Considering, CIRP process is in process, ESIML financial statement has been prepared on going concern basis.

iii. **In respect of Knowledge Vistas limited (KVL), a Subsidiary of EISML:**

KVL has taken land from Lavasa corporation on lease vide lease agreement dated June 30, 2009 for a period of 999 years to construct an international residential school. Further KVL had entered into a sub -lease agreement with Gyan kunj Educational Trust (GKET) to sub lease the school building. As per the sub lease agreement, GKET shall be liable to pay lease rental to KVL from the year in which it has cash surplus. GKET has started its operation in Academic Session 2011-12 but due to environment matters, GKET has decided to suspend its operation and waiting for favorable business opportunities.

On the basis of valuation report from an independent valuer, the carrying cost of KVL assets is not less that its net realisable value. Hence the management of KVL doesn't anticipate any asset impairment.

KVL financial statement 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.

iv. **In respect of Educomp Asia Pacific Pte Ltd (EAPL), a Subsidiary Company of ESL:**

The High court of the Republic of Singapore on the grounds of insolvency vide its Order made on June 30 2017, has ordered that EAPL be wound up and appointed liquidators. Currently, the liquidation of the EAPL is under process as per the Singapore Laws. Financial statements of the EAPL have been prepared on going concern basis without taking effect of the liquidation order.

v. **In respect of Educomp Learning Hour Private Limited (ELHPL), a Subsidiary Company of Educomp Online Supplemental Services Limited (EOSSL):**

ELHPL has sustained losses and its net worth has been completely eroded. ELHPL is in discussion with lenders to restructure its loan obligation to align it with the cash flows of the Company. Hence, the financial statements are prepared under the going concern assumption.

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Subsequent to the signing of the financials of ELHPL, A CIRP has been initiated vide an order dated December 11, 2017 by principal Bench of Hon'ble NCLT under the provisions of 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, who is appointed by the duly appointed CoC.

The CoC has approved the resolution plan submitted by the Resolution Applicant and the same has been submitted to Hon'ble NCLT for approval.

Considering, CIRP process is in process, ELHPL financial statement has been prepared on going concern basis.

vi. In respect of Educomp Intelliprop Ventures Pte. Limited (EIVPL), Educomp Global FZE and Edumatics Corporation, subsidiaries of ESL

Aforesaid entities have accumulated losses resulting in complete erosion of their net worth. Further, the holding company is under CIRP as per the provisions of Insolvency Code. Refer para 1(c)(i) above for details of CIRP process of the Holding Company.

These factors raise substantial doubt about these entities ability to continue as a going concern in the foreseeable future. Considering, CIRP is in process of the holding company, financial statements of these entities have been prepared on going concern basis by their respective management.

vii. In respect of Edu Smart Services Private Limited (ESSPL), a Subsidiary Company of ESL:

ESSPL has incurred substantial losses, its net worth has been completely eroded. However, on consideration of the planned future operations / business activities the management is of the view that the erosion of net worth of ESSPL will not adversely affect the going concern nature of the business.

Further Subsequent to the balance sheet date, one of the financial creditor have filled an application under the provisions of the Insolvency Code with Hon'ble NCLT. The Hon'ble NCLT vide order dated June 27, 2017 approved the application and accordingly CIRP proceedings of ESSPL has been initiated. Subsequently, on March 22, 2018, the Resolution Professional of ESSPL filed an application under section 33(1) of the Insolvency code with NCLT. The matter is subjudice.

Considering, CIRP process is in process, ESSPL financial statement has been prepared on going concern basis.

d) Moratorium period

In respect of Holding Company, Hon'ble NCLT vide its letter dated May 30, 2017 had declared the moratorium period as per the provision of section 13 (1) (a) of the Insolvency Code which was 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 Insolvency Code, under the moratorium period, the Holding 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

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HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

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.

Above policy is mutatis mutandis applicable to other subsidiaries in CIRP.

e) **Basis of measurement**

The Financial Statements have been prepared on a historical cost basis, except for the following:

i. Certain Financial Assets and Liabilities (including derivative instruments) that is measured at fair value;
ii. Assets held for sale - measured at fair value less cost to sell or carrying value, whichever is lower; and
iii. Defined benefit plans - plan assets measured at fair value.

f) **Principles of consolidation**

Subsidiaries

The Company determines the basis of control in line with the requirements of Ind AS 110, Consolidated Financial Statements.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and unrealized profits in full. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. Even if this results in the non-controlling interests having a deficit balance.

Joint Venture

Interests in joint ventures are accounted for using the equity method (see (i) below) after initially being recognize at cost in the consolidated balance sheet.

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HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, mentioned below, after initially being recognized at cost.

Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

When the Company's share of loss in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other shareholder(s).

Unrealized gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealized losses are also estimated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amounts of investments in associates are reduced to recognized impairment, if any, when there is objective evidence of impairment.

The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Companies separate financial statements.

Loss of control

The Group treats transactions with non-controlling interests that do not result in a loss of control as transaction with equity owners of the Group. A change in the ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

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g) **Functional currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Indian rupee (INR), which is also the parent entity's functional currency.

h) **Rounding off**

All the amounts has 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.

i) **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 Group 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 Group 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.

j) Events after the reporting period i.e. March 31, 2017

The standalone Ind AS financial statements of the Holding company was issued on January 23, 2018. The standalone/consolidated Ind AS financial statements of the various subsidiaries of Group and an associate was issued before September 30, 2017. All events occurred between dates of issuance of such financial statements and date of issuance of these consolidated Ind AS financial statements are taken into cognizance while preparing these consolidated Ind AS financial statements.

k) **New standards and interpretations not yet effective**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirement of the amendment and effect on the financial statements is not material.

Amendment to Ind AS 102 "Share Based Payment":
The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

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Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Group is evaluating the requirements of the amendment and the impact on the financial statements.

2. 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 Group'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 Group operate.

The board of directors of the Holding Company along with the chief financial officer assesses the financial performance and position of the Group, and makes strategic decisions. They together have been identified as being the chief operating decision maker. Refer note 29 for segment information presented.

Intersegment transfers:

The Group 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 is not allocated to the segments.

Segment accounting policy

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the group 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.

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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 Group 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 Consolidated Statement of Profit and Loss.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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.

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 Consolidated Statement of Profit and Loss.

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

On transition to Ind AS the Group has elected to continue with the carrying value of all the intangible assets recognised as at April 1, 2015 as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

d) Capital work-in-progress/ intangibles under development

Capital work-in-progress (including intangible assets under development) represents expenditure incurred in respect of capital projects/intangible assets under development and 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 basis upto 95% of the total cost of the asset over the useful life of assets as estimated by the management.

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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 year end.

The useful lives estimated by the management are as follows:

Particulars	Useful life (years)
Building	60
Building on Leasehold Land (In case of ELPL).	15
Furniture and fixtures	10
Office equipment	5
Vehicle	8
Computer equipment	3
Computer servers and networks	6

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, discardment 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 - 5 years for software and 4 years for knowledge-based content. License right taken by the subsidiaries for a long period of time are amortized over the life of licence and the respective subsidiaries have disclosed the reasons for considering useful life of the asset to be more than 10 years in the separate financial statements.Goodwill on purchase is being amortized over a period of 10 years.

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 group and revenue can be reliably measured.

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

The Group derives its revenue from sale, supply and installation of educational products and rendering of educational services. The following specific recognition criteria must also be met before revenue is recognized:

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 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. Refer note 2.m of the significant accounting policies.

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Income from letting out of buildings and from provisioning of maintenance and transportation facilities is recognized rateably over the period of the agreement in accordance with the terms of respective agreements.

The revenue from the sale of user license for software applications is recognized on transfer of the title in the user license. The revenue from education or other services are recognized ratably over the period of service. Revenue from software development on fixed-price, fixed-time frame contracts, where there is no uncertainty as to measurement or collect ability of consideration is recognized as per the percentage of completion method.

Subscription revenue from the web based learning software is recognized ratably over the subscription period.

The revenue from tuition fee is recorded equally over the period of instruction.

Revenue from educational counseling services is recognized after the counseling services have been rendered to the customer.

Revenue from course fee is recognized in a manner over the period of imparting tuition and only after right to claim the fee is established, as per the applicable fee structure of every course.

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

Revenue in respect of project management and consultancy agreement is recognised on cost plus markup basis, as per the markup percentage mentioned in project management and consultancy agreement.

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 Group 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.

Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

g) Financial Instrument

The Group recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

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(a) Financial Assets

1. Classification

The Group 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

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

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 Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading.

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

2. Initial Measurement

At initial recognition, the Group 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 consolidated statement of profit and loss.

3. Subsequent Measurement:

3.1 Debt instruments

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

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revenue and foreign exchange gains and losses which are recognised in the consolidated 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 consolidated 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. At present no financial assets fulfill this condition.

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 consolidated 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 consolidated statement of profit and loss and presented net in the consolidated 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.

3.2 Equity instruments

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

If the Group 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 Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

4. Impairment of financial assets

The Group 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 27 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group 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 Group 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.

5. Derecognition of financial asset

A financial asset is derecognised only when the Group 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 Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

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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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(b) Financial Liabilities

1. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

2. Subsequent measurement

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

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 consolidated 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 Group 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.

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Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

3. Derecognition of financial liabilities

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.

Derivatives

Derivatives that are not designated as hedges

Derivatives including forward contracts are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Group does not designate their derivatives as hedges and such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

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 recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

h) 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

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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. Adequate provisions are made for obsolete and non-moving inventories.

i) **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.

j) **Income taxes**

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Consolidated 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 consolidated 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 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 Group'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.

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k) **Minimum Alternative Tax (MAT)**

Minimum Alternative Tax ('MAT') 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 Group is lessee:

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

Where the Group is lessor:

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

Finance lease

Where the Group is lessee:

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

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

Where the Group is lessor:

Leases in which the Group 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 Group 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

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finance lease. The interest income is recognised in the Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Consolidated 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 Group'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.

The Group has availed exemption under Ind AS 101 (refer note 34) for the accounting of the exchange differences arising on the reporting of long term foreign currency monetary items. Therefore, the Group is continuing the policy adopted under previous GAAP on the same. Accordingly, the effect of 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 these loans.

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.

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.

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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 Consolidated 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 Group or the counterparty.

p) **Research and development costs**

Research costs are expensed off as incurred. Development expenditure incurred on the individual project is recognized as an individual asset when the Group can demonstrate (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale, (ii) its intention to complete the asset, (iii) its ability to use or sell the asset, (iv)asset's ability to generate future economic benefits, (v) availability of adequate resources to complete the development and to use or sell the asset and (vi) its ability to measure reliably the expenditure attributable to the intangible asset during development.

q) **Share-based payment**

The Group 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.

r) 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.

s) 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 Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Financial Statements.

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 Group 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 Group 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 Group 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 Consolidated Statement of Profit and Loss net of any reimbursement.

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t) **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".

u) **Equity Contribution.**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

v) **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.

w) **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.

x) **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 Group 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 consolidated statement of profit and loss.

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Post-employment obligations

The Group 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 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 consolidated 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 consolidated statement of changes in equity and in the consolidated balance sheet.

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

Defined contribution plan

A defined contribution plan is a plan under which the Group 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 Consolidated the Statement of Profit and Loss on accrual basis. The Group has no further obligations under these plans beyond its monthly contributions.

y) **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 Consolidated Statement of Profit and Loss.

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z) **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 Group 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.

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 Group 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 consolidated financial statements is included in the respective notes.

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 Group'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.

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The Group 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.

- 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 Group 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 Group 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 Group 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

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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.

- Provision and Contingent Liabilities

The Group reviews its provisions and contingent liabilities at the end of each reporting period. The policy for the same has been explained under point (s) above.

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 Group and that are believed to be reasonable under the circumstances.

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Educomp Solutions Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(Rs. In millions unless otherwise stated)

Note 3 Property plant and equipment

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2016	Additions	Disposals	Adjustment	Balance as at March 31, 2017	Balance as at April 01, 2016	Depreciation for the year	On disposals	Adjustment	Balance as at March 31, 2017	Balance as at March 31, 2017
Property plant and equipment											
Freehold land (refer note 1 and 2)	5,976.69	-	14.05	-	5,962.64	-	-	-	-	-	5,962.64
Leasehold land	101.86	-	-	-	101.86	1.25	1.25	-	-	2.50	99.36
Building	5,358.85	34.24	-	-	5,393.09	58.48	99.27	-	-	157.75	5,235.34
Leasehold improvements	19.41	2.41	-	(12.66)	9.16	3.83	3.45	-	(1.97)	5.31	3.85
Office equipment	47.63	9.17	-	(5.23)	51.57	21.33	8.79	-	(0.93)	29.19	22.38
Vehicles	4.22	-	-	(1.27)	2.95	0.95	0.48	-	(0.25)	1.18	1.77
Furniture and fixtures	102.87	12.37	-	(1.45)	113.79	31.31	24.30	-	(0.44)	55.17	58.62
Computers and equipment	55.49	10.09	0.10	(1.84)	63.64	24.30	6.40	0.04	(0.63)	30.03	33.61
Total	**11,667.02**	**68.28**	**14.15**	**(22.45)**	**11,698.70**	**141.45**	**143.94**	**0.04**	**(4.22)**	**281.13**	**11,417.57**

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2015 (Deemed cost)*	Additions	Disposals	Adjustment	Balance as at March 31, 2016	Balance as at April 01, 2015	Depreciation for the year	On disposals	Adjustment	Balance as at March 31, 2016	Balance as at March 31, 2016
Property plant and equipment											
Freehold land (refer note 1 and 2)	6,222.88	-	246.19	-	5,976.69	-	-	-	-	-	5,976.69
Leasehold land	101.86	-	-	-	101.86	-	1.25	-	-	1.25	100.61
Building (refer note 2)	5,608.01	98.56	347.72	-	5,358.85	-	104.16	45.68	-	58.48	5,300.37
Leasehold improvements	21.83	0.73	-	(3.15)	19.41	-	4.66	-	(0.83)	3.83	15.58
Office equipment	41.55	7.97	1.55	(0.34)	47.63	-	22.71	1.30	(0.08)	21.33	26.30
Vehicles	3.20	1.23	0.21	-	4.22	-	1.15	0.20	-	0.95	3.27
Furniture and fixtures	86.91	16.98	0.73	(0.29)	102.87	-	32.01	0.68	(0.02)	31.31	71.56
Computers and equipment	44.23	28.43	7.74	(9.43)	55.49	-	26.83	0.40	(2.13)	24.30	31.19
Total	**12,130.47**	**153.90**	**604.14**	**(13.21)**	**11,667.02**	**-**	**192.77**	**48.26**	**(3.06)**	**141.45**	**11,525.57**

Note:

1. Includes land amounting Rs. 1,408.56 million (March 31, 2016 Rs. 1,408.56 million, April 1, 2015 Rs. 1,408.56 million) pending registration in the name of respective subsidiaries of the Group.

2. For the current year, disposal includes, sale of land located at Narnaul of book value Rs.14.05 million. During the previous year, the disposal includes, freehold land of book value Rs. 246.19 million and building of Rs. 347.72 million, accumulated depreciation of Rs. 45.68 million and net book value of Rs. 548.23 million, in respect of land and building located at Mussorrie for which Group had entered into an agreement to sell for Rs. 600.00 million. Against such sale, the Group had also received an advance of Rs. 80.00 million. Consequently, freehold land and building with net book value Rs. 548.23 million, had been classified as other current financial assets - held for sale (refer note 6.4). The assets held for sale has been recorded at lower of cost or net realisable value after considering the expected loss. During the current year the said asset has been sold.

3. As per MRA, the respective Companies of Group under CDR, shall not sell any of its property, plant and equipments (PPE), save and except Idtentified Assets and shares as permitted in terms of approved CDR Package, without prior recommendation of Monitoring Committee and approval of CDR-EG. However, these companies shall sell its non-core assets, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

4. Fixed Assets of the respective companies of group are part of security for various loan availed.

5. Adjustment represents mainly foreign currency exchange translation adjustment on account of subsidiary which have different functional curency.

6. For Details of assets given on lease refer note 39.

* The Group has considered previous GAAP carrying values as at March 31, 2015 as deemed cost in accordance with the exemption available under Ind AS 101 (for details refer note 34.A1.1).

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Note 4 Capital work in progress

	2015-16					2016-17				
	Balance as at April 01, 2015	Additions	Capitalised during the year	Adjustment	Balance as at March 31, 2016	Balance as at April 01, 2016	Additions	Capitalised during the year	Adjustment	Balance as at March 31, 2017
Capital work in progress	491.09	180.46	195.49	-	476.06	476.06	139.36	157.60	-	457.82
Provision for Capital work in progress	(20.00)	(9.15)	-	-	(29.15)	(29.15)	-	-	-	(29.15)
Net block	**471.09**	**171.31**	**195.49**	**-**	**446.91**	**446.91**	**139.36**	**157.60**	**-**	**428.67**

Note Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost.

Note 5 Other Intangible Assets

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2016	Additions	Disposals	Adjustment	Balance as at March 31, 2017	Balance as at April 01, 2016	Depreciation for the year	On disposals	Adjustment	Balance as at March 31, 2017	Balance as at March 31, 2017
Goodwill (refer note 36)	10,550.80	-	337.96	-	10,212.84	-	-	-	-	-	10,212.84
Goodwill on purchase	59.00			(28.54)	30.46	-	-	-	-	-	30.46
Softwares	1.98	1.70	-	-	3.68	0.84	0.63	-	-	1.47	2.21
Knowledge-based content (refer note i)	1,032.88	112.65	-	(27.53)	1,118.00	422.58	257.80	-	(15.35)	665.03	452.97
Trade mark license	624.18	-	14.56	-	609.62	48.94	49.50	2.76	-	95.68	513.94
Total	**12,268.84**	**114.35**	**352.52**	**(56.07)**	**11,974.60**	**472.36**	**307.93**	**2.76**	**(15.35)**	**762.18**	**11,212.42**

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2015 (Deemed cost)*	Additions	Disposals	Other adjsutments	Balance as at March 31, 2016	Balance as at April 01, 2015	Depreciation for the year	On disposals	Other adjsutments	Balance as at March 31, 2016	Balance as at March 31, 2016
Goodwill (refer note 36)	10,624.98	-	74.18	-	10,550.80	-	-	-	-	-	10,550.80
Goodwill on purchase	59.00				59.00	-	-	-	-	-	59.00
Software	72.49	0.03	-	(70.54)	1.98	-	7.83	-	(6.99)	0.84	1.14
Knowledge-based content (refer note i)	907.48	310.54	-	(185.14)	1,032.88	-	445.13	-	(22.55)	422.58	610.30
Trade mark license	587.72	52.41	15.95	-	624.18	-	48.30	(0.64)	-	48.94	575.24
Total	**12,251.67**	**362.98**	**90.13**	**(255.68)**	**12,268.84**	**-**	**501.26**	**(0.64)**	**(29.54)**	**472.36**	**11,796.48**

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

	Gross block					Accumulated Depericiation					Net block
	Opening balance	Additions	Disposals	Other adjsutments	Closing balance	Opening balance	Depriciation during the year	On disposals	Other adjsutments	Closing balance	Closing balance
For the year ended March 31, 2017	677.09	-	-	(7.24)	669.85	341.96	140.85	-	(2.43)	480.38	189.47
For the year ended March 31, 2016	485.97	301.02	-	(109.90)	677.09	-	364.52	-	(22.56)	341.96	335.13

(ii) As per MRA, the respective Companies of Group under CDR, shall not sell any of its Intangible 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, these companies shall sell its non-core assets, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

(iii) Intangible Assets of the Respective Companies of Group are part of security for various loan availed.

(iv) Adjustment represents mainly foreign currency exchange translation adjustment on account of subsidiary which have different functional currency.

(v) The holding company has evaluated the impairment of goodwill, using business valuations performed by its own assessment, according to which the management is of the opinion that no provision for impairment is considered necessary in respect of these goodwill. Accordingly no impairment to the carrying value of its goodwill is required to be recorded in the financial year ended March 31, 2017 and March 31, 2016.

* The Group has considered previous GAAP carrying values as at March 31, 2015 as deemed cost in accordance with the exemption available under Ind AS 101 (for details refer note 34.A1.1).

(Rs. In millions unless otherwise stated)

Note 6.1 Non-current investments

Particulars	Number of shares/units as at			Face value	Proportion of the ownership interest			As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
a) Investment in equity shares (accounted using equity method, refer note 37)*										
Unquoted										
i) Associate companies										
Greycells 18 Media Limited#	2,999,749	2,999,749	2,999,749	Rs. 10	25.78%	25.78%	25.78%	78.74	88.63	104.54
Little Millenium Education Private Limited (formerly Educomp Child Care Private Limited) (refer note 24)#@	16,110,239	-	-	Rs. 10	48.29%	-	-	195.12	-	-
ii) Joint venture companies										
Educomp Raffles Higher Education Limited	1,577,588	1,577,588	1,577,588	Rs. 10	41.82%	41.82%	41.82%	572.80	572.80	587.10
								846.66	**661.43**	**691.64**
b) Investments in units of trusts										
India Education Fund (refer note 24)#	-	-	425,000	Rs. 1000				-	-	425.00
Aggregate amount of unquoted investments								**846.66**	**661.43**	**1,116.64**
Aggregate amount of quoted investments and market value thereof								-	-	-
Aggregate amount of impairment in value of investments								-	-	-

* refer note 34A.1.7 for details of exemption taken under Ind AS 101.

units/shares are earmarked as per terms of Master Restructuring Agreement pursuant to CDR. (Refer note 14 (i)).

@ The stake of the holding company has reduced to 48% from 61% and 64% as compared to March 31, 2016 and April 01, 2015 respectively. Accordingly it has been classified as an associate.

Note:

(i) 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 sale its non-core assets including investments, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

(ii) The holding company has evaluated the recoverability of its investments, using business valuations performed by independent experts/its own assessment, according to which the decline in the value of these long term investments has been considered to be temporary. The said evaluation is based on the long term business plans of its associate and joint ventures. Accordingly Management has concluded that no impairment to the carrying value of its long term investments is required to be recorded in the financial year ended March 31, 2017 and March 31, 2016.

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(Rs. In millions unless otherwise stated)

Note 6.2 Loans

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non current	Current	Non current	Current	Non current	Current
Unsecured, considered good						
Security deposits	52.49	357.08	113.82	357.46	106.05	364.10
Earnest money deposits	0.54	12.53	0.54	1.31	0.56	0.81
Loans to employees	-	27.03	-	28.71	-	28.42
Loans to others	506.14	219.64	815.40	67.51	1,155.81	17.70
Unsecured, considered doubtful						
Security deposit	-	1.35	-	1.35	-	1.35
Earnest money deposits	-	9.93	-	9.93	-	9.93
Loans to employees	-	3.33	-	3.33	-	3.33
Loans to others	326.19	-	326.19	-	326.19	-
Less: Allowance for bad and doubtful loans	(326.19)	(14.61)	(326.19)	(14.61)	(326.19)	(14.61)
	559.17	616.28	929.76	454.99	1,262.42	411.03

For explanation on the companies credit risk management please refer note 27.

Note 6.3 Trade receivables (Unsecured)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non current	Current	Non current	Current	Non current	Current
Considered good						
Trade receivable	-	6,730.94	-	11,667.72	4,907.81	11,025.32
Receivables from related parties - refer (i) below	-	1.51	-	0.02	-	0.02
	-	6,732.45	-	11,667.74	4,907.81	11,025.34
Considered doubtful						
Trade receivable	-	7,303.48	-	4,557.95	2.20	3,608.07
Less: Provision for doubtful debts	-	(7,303.48)	-	(4,557.95)	(2.20)	(3,608.07)
	-	6,732.45	-	11,667.74	4,907.81	11,025.34

(i) Trade Receivable from related parties

For terms and conditions of transactions with related party refer note 30	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Receivable from Joint Venture			
Educomp Raffles Higher Education Limited	0.02	0.02	0.02
Receivable from Associate			
Little Millenium Education Private Limited (Formerly Educomp Child Care Private Limited)	0.26	-	-
Receivable from Others			
Healthsetgo Services Private Limited	1.23	-	-
	1.51	0.02	0.02

(ii) No trade receivables are due from directors or other officers of the company either severely or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) For explanation on the companies credit risk management please refer note 27.

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(Rs. In millions unless otherwise stated)

Note 6.4 Other financial assets

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non current	Current	Non current	Current	Non current	Current
Lease recoverables (refer note 39)	3.50	12.30	28.22	96.89	123.44	117.69
Margin money (Refer (i) below)	4.73	12.87	22.32	27.85	10.87	28.70
Interest accrued but not due on loans	555.76	2.77	489.21	1.75	455.57	4.42
Unbilled revenue	-	47.61	-	-	-	7.61
Assets held for sale (at lower of cost and net relisable value) (Refer note 3(2))	-	246.34	-	794.57	-	246.34
Receivable against sale of shares	-	23.15	-	24.52	-	-
Receivable against investment sold (refer note (ii) below)	602.43	-	-	-	-	-
Total	1,166.42	345.04	539.75	945.58	589.88	404.76
Provision for Margin money	-	(12.87)	-	(27.85)	-	(28.70)
Total	1,166.42	332.17	539.75	917.73	589.88	376.06

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

(ii) During the year ended March 31, 2017, pursuant to a negotiated settlement entered into with ICICI Bank, the Holding Company has divested its entire shareholding in Vidya Mandir Classes Limited (VMCL) (being 67% shareholding in VMCL), a subsidiary of the Holding Company. In accordance with the share sale agreement, the Holding 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 Holding Company and are held 'in trust'. These shall be transferred on a pro-rata basis as the consideration is received.

These investments are pledged against loan taken by Educomp Learning Hour Private Limited (ELHPL) and the Holding Company has sold the investment in agreement with the bank during the financial year 2016-17. Consideration of the same is receivable in two tranches, out of which money against second tranche amounting to Rs. 602.43 million (net of discounting) is receivable. The Management believes that this amount is recoverable. Also refer note 24(8).

(iii) For explanation on the companies credit risk management please refer note 27.

Note 6.5 Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balances with banks			
- in current accounts	930.95	1,201.34	1,511.13
Cheques on hand	5.15	9.76	21.31
Stamp-in-hand	0.89	0.89	0.89
Cash on hand	2.26	5.38	146.72
	939.25	1,217.37	1,680.05

Note 6.6 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at 01 April, 2015
Unpaid dividend	1.08	1.46	1.50
Deposit with original maturity of more than three months but less than twelve months (refer (i) below)	0.12	0.12	1.91
Margin money deposit (refer (ii) below)	15.93	30.53	57.31
	17.13	32.11	60.72

(i) This balance is not available for free use of the Group and is maintained against term loan.

(ii) Margin Money Deposit given against borrowings, letter of credit and bank gaurantees incuding to revenue authorities.

Note 7 Non-current tax assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance income tax	147.74	181.48	187.68
	147.74	181.48	187.68

Note 8 Other non-current assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at 01 April, 2015
Capital advances			
- considered good	509.36	532.63	541.94
- considered doubtful	4,027.15	4,015.39	4,065.39
Less: Provision for doubtful advances	(4,027.15)	(4,015.39)	(4,065.39)
Balance with statutory/government authorities			
- considered good	131.82	283.92	303.54
- considered doubtful	20.87	3.51	3.51
Less: Provisions on government dues	(20.87)	(3.51)	(3.51)
Prepaid expenses	97.99	56.79	43.70
	739.17	873.34	889.18

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(Rs. in millions unless otherwise stated)

Note 9 Inventories (valued at lower of cost and net realisable value)

Particulars	As at March 31, 2017	As at March 31, 2016	As at 01 April, 2015
Work-in-progress	11.23	11.23	27.73
Stock in trade			
Technology equipment	768.69	806.19	791.76
Educational products	14.57	59.22	44.19
	783.26	865.41	835.95
Less: Provision for obsolescence (refer (i) below)	(687.32)	(43.34)	(55.87)
	95.94	822.07	780.08
Consumables	-	-	89.70
Total	107.17	833.30	897.51

Note:

i) During the year ended March 31, 2017, Edu Smart Services Private Limited has evaluated its inventory through independent technical valuer and as mandated in the report, recorded a provision of Rs. 649.21 million in the books of accounts.

Note 10 Current tax assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance income tax	51.56	47.71	82.32
	51.56	47.71	82.32

Note 11 Other current assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unsecured considered good			
Advance to suppliers	31.96	63.39	362.32
Advance to others	0.82	0.83	21.62
Receivable from employees	0.42	1.50	1.50
Prepaid expenses	142.97	258.31	237.97
Balance with government authorities	20.83	0.78	1.17
Unsecured considered doubtful			
Advance to suppliers	38.30	37.93	29.71
Less: Provisions for doubtful advances	(38.30)	(37.93)	(29.71)
	197.00	324.81	624.58

(Rs. In millions unless otherwise stated)

Note 12 Equity share capital

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
a)	**Authorized shares**			
	200,000,000 (March 31, 2016: 200,000,000, April 01, 2015: 200,000,000) equity shares of Rs. 2 each	400.00	400.00	400.00
b)	**Issued, subscribed and fully paid-up shares**			
	122,467,168 (March 31, 2016: 122,467,168, April 01, 2015: 122,467,168) equity shares of Rs. 2 each fully paid	244.93	244.93	244.93
		244.93	244.93	244.93

c) **Movement in equity share capital**

	For the financial year 2016-17		For the financial year 2015-16	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	122,467,168	244.93	122,467,168	244.93
Shares issued during the year	-	-	-	-
Shares 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 Holding 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 Holding 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 Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding 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 Holding Company**

	As at March 31, 2017		As at March 31, 2016	
	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%
MKCP Institutional Investor (Mauritius) II Ltd	-	-	-	-

	As at April 01, 2015	
	No. of Shares	% of holding
Equity shares of Rs. 2 each fully paid-up		
Mr. Shantanu Prakash	44,315,205	36.19%
A.P Eduvision Private Limited	7,284,600	5.95%
MKCP Institutional Investor (Mauritius) II Ltd	9,898,370	8.08%

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash during the periods of last five years immediately preceding the reporting date:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-	-

g) No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

h) **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 14.1)
For details of shares reserved for issue on employee stock option, (refer note 33)
For details of shares reserved for issue to lender banks as per CDR scheme, (refer note 14.1 (e))

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Note 13 Other Equity

(a) Equity component of compound financial instruments - refer note (i) & (ii) below

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity component of compound financial instruments	524.45	502.72	330.51
Total	524.45	502.72	330.51

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Security premium reserves	19,928.01	19,928.01	18,227.25
General reserves	1,542.19	1,514.08	1,429.78
Employee stock option scheme	80.84	95.16	143.82
Capital reserves	451.28	514.22	514.22
Retained earnings	(19,919.07)	(16,602.88)	(11,089.62)
Foreign currency monetary items translation difference account	(512.23)	(841.74)	(736.11)
Other comprehensive income - Foreign currency translation reserve	(168.93)	(187.42)	-
Total	1,402.09	4,419.43	8,489.34

(i) Movement of Other Equity

1. Equity component of compound financial instruments

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Balance	502.72	330.51
Add: Additions During the year (Refer Note 14.1 (c) & 14.1 (d))	21.73	172.21
Total	524.45	502.72

(ii) Equity component of compound financial instruments

The above balance represents 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 reserves

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Balance	19,928.01	18,227.25
Add: On issue of shares (includes shares issued under employee stock option schemes)	-	1,700.76
	19,928.01	19,928.01

(ii) General reserve

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Balance	1,514.08	1,429.78
Add: ESOP cost reversal on forfeiture	28.11	84.30
	1,542.19	1,514.08

(iii) Employee stock option outstanding account

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Balance	95.16	143.82
Add: Employee stock compensation provided	13.79	35.64
Less: Employee stock compensation reversed	(28.11)	(84.30)
	80.84	95.16

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(iv) Capital Reserve

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
On consolidation		
Opening Balance	102.56	102.56
Add: Adjustment during the year [refer note 35A (a)]	(62.94)	-
	39.62	102.56
Others		
Opening Balance	411.66	411.66
	411.66	411.66

(v) Retained Earnings

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening balance	(16,602.88)	(11,089.62)
Add: Loss for the year	(3,328.68)	(5,584.14)
Add: other adjustments	12.49	19.83
Add: Adjustment for change in minority	-	51.05
	(19,919.07)	(16,602.88)

(vi) Foreign currency monetary item translation difference account

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening balance	(841.74)	(736.11)
Add: Created during the year	119.54	(299.37)
Less: Amortisation during the year	209.97	193.74
	(512.23)	(841.74)

(vii) Other comprehensive income - Foreign currency translation reserve

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening Balance	(187.42)	-
Net movement in FCTR during the year	18.49	(187.42)
	(168.93)	(187.42)

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 33)

Capital Reserve

The Holding 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 Holding 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 Holding 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 Group 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. For details of exemption availed (refer note 34).

General reserve

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

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Note 14.1 Borrowings

(a) Non-current borrowings

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(i)	**Secured**			
	Bonds and debentures			
	13.25%, 100 Non Convertible Debentures of Rs. 1,000,000 each	100.00	100.00	100.00
	13.50%, 350 Non Convertible Debentures of Rs. 1,000,000 each	350.00	350.00	350.00
	10 Zero Coupon Foreign Currency Convertible Bonds of $ 1,000,000 each (refer note (c) below)	848.46	802.77	700.87
	Term loans			
	from banks	27,606.22	28,924.51	30,835.74
	from others			
	- Financial institutions	158.32	221.82	304.32
	- External commercial borrowings	4,538.70	4,643.30	4,381.36
	Deferred payment liabilities towards leasehold land	-	-	39.26
(ii)	**Unsecured**			
	Loan from related parties (refer note (d) below)*	188.65	157.38	83.68
	Loan from other parties**	815.12	412.75	636.80
	Deferred payment liabilities towards expenses	-	5.19	3.87
	Less: Current maturities of long term borrowings (refer note 14.3)***	(25,356.82)	(26,187.83)	(20,016.43)
		9,248.65	9,429.89	17,419.47

*Refer note 30 for terms and conditions of transaction with related parties.

**Educomp Learning Hour Private Limited (ELHPL) has received financial assistance under business arrangements from Vidya Mandir Classes Limited ("VMCL") during the last years. The outstanding amount of the said amount as on March 31, 2017 is Rs. 453.72 million. The same was to be repaid or converted into unsecured loan on ELHPL achieving operational profitability. The said amount has been converted into unsecured loan at carrying interest rate of 9% w.e.f. April 1, 2017. Therefore ELHPL has classified the outstanding amount as unsecured loan under long term borrowings.

***During the years ended March 31, 2017 and March 31, 2016, the Holding Company has defaulted in the payment of principal and interest in respect of its borrowings. As per agreements with the lenders, in case of defaults, the borrowings are repayable on demand. Accordingly, borrowings where defaults has occurred till balance sheet date has been disclosed under current maturities of long term borrowings.

Refer note 14.1 (e) for details of security & terms of long term borrowings.

(b) Current borrowings

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(i)	**Secured**			
	Term loan			
	- from bank	78.63	39.50	-
	Borrowing repayable on demand			
	Working capital loans from banks	70.62	62.71	-
	Bank overdrafts	1,186.87	959.51	2,085.01
(ii)	**Unsecured**			
	Loans from other parties	12.00	22.00	22.00
	Total	1,348.12	1,083.72	2,107.01

Refer note 14.1 (e) for details of security & terms of long term borrowings.

Liability component of compounded financial instruments

(c) **Foreign Currency Convertible Bond (FCCB)**

The Holding Company had issued 10, zero coupon foreign currency convertible bonds of $ 1000,000 each. These FCCB are convertible into equity shares based on the ratio calculated in accordance with the terms of offering circular dated July 13, 2012. The bonds are convertible latest by July 24, 2017. These are to be converted at initial conversion price of Rs. 188.62 for each equity share at the applicable exchange rate (fixed). As on March 31, 2017 USD 10 million (March 31, 2016 USD 10 million, April 01, 2015 USD 10 million) FCCB are outstanding for conversion into equity shares of Rs. 2 each. Due date for redemption is July 24, 2017 and redemption price at maturity is 133.15% of par value.

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity portion as at balance sheet date	50.03	50.03	50.03
Financial liability portion as on date (including 33.15% premium component)	848.46	802.77	700.87
	898.49	852.80	750.90

(d) **Promoters contribution**

The Promoters of the group has provided interest free loans to the Holding Company which has been fair valued at amortised cost and the balance portion due to the control of the promoter over the Holding Company has been considered to be equity and has been valued at cost.

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity component as on date	474.42	452.69	280.48
Financial liability component as on date	188.65	157.38	83.68
	663.07	610.07	364.16

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Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
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Note 14 (1) (e) Particulars of security, interest and terms of repayment of Loans teken by the Group are as follows :

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Bonds, Debentures & External (Secured) Commercial Borrowings									
Non Convertible Debentures (NCD)*	450.00	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 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.	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 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.	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 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)	- 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)	- 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 14.1(c) above	Refer note 14.1(c) above	Refer note 14.1(c) above	Refer note 14.1(c) above	Refer note 14.1(c) above	Refer note 14.1(c) above	Second charge on following assets - 51% of the fully paid up equity shares of EISML held by the Company.	Second charge on following assets - 51% of the fully paid up equity shares of EISML held by the Company.	Second charge on following assets - 51% of the fully paid up equity shares of EISML held by the Company.
External Commercial Borrowings (ECB)	4,538.70	4,643.30	4,381.36	Repayable in 11 half yearly equal installments of USD 6.36 million starting from January 15, 2016 and ending January 15, 2021.	Repayable in 11 half yearly equal installments of USD 6.36 million starting from January 15, 2016 and ending January 15, 2021.	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.	First charge on following assets - 51% of the fully paid up equity shares of the EISML held by the Company.	First charge on following assets - 51% of the fully paid up equity shares of the EISML held by the Company.
Secured Loan from Others									
Deferred payment liabilities (Leasehold land) (Loan taken by EISML) (a)	-	-	39.26	Not applicable	Not applicable	- Carries interest of 11%. -Repayable in equated half yearly installments of Rs 4.07 million till December 2019.	Not applicable	Not applicable	Secured by leasehold right over the land.
Term Loans & Working Capital Loan from Banks - CDR (Secured)									
Term loan (a)	102.40	102.40	102.46	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.	Repayment in 10 quarterly equal installments of Rs. 10.25 million commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2018.	Repayment in 10 quarterly equal installments of Rs. 10.25 million commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 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.	-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.	-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	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	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	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ending December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per inst. 1-2 81.31 3-14 121.97 15-30 152.46			
Term loan (c)	309.85	309.85	300.00						
Term loan (d)	204.07	223.37	250.00						
Term loan (e)	62.72	62.72	64.00						
Working capital term loan	2,837.33	2,882.22	2,348.67						
Funded interest term loan - FITL (a)	910.34	919.62	886.60						

Educomp Solutions Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(Rs. In millions unless otherwise stated)

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Term loan (f)	2,813.00	2,813.00	2,783.28	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	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	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ending December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 351.69 3-14 527.53 15-30 293.07	-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.	-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.	-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 (g)	4,550.00	4,550.00	4,550.00						
Term loan (h)	397.65	397.65	359.98						
Term loan (i)	1,960.00	1,960.00	1,960.00						
Term loan (j)	1,171.16	1,171.16	1,172.80						
Term loan (k)	947.83	947.83	896.86						
Working capital facility (a)#	1,186.87	959.51	1,028.27	Payable on demand	Payable on demand	Payable on demand			
Term loan $ [Loan taken by Educomp Infrastructure and School Management Limited (EISMLi)] (l) $	6,881.29	7,269.06	7,269.06	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14, 2014-15 and 2015-16. - Rs.1162.81 was repayable on 15th January 2016 - Balance repayable in unequal pre - scheduled 40 quarterly installments starting April 2016 till March 2026.	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14, 2014-15 and 2015-16. - Rs.1162.81 was repayable on 15th January 2016 - Balance repayable in unequal pre - scheduled 40 quarterly installments starting April 2016 till March 2026.	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14, 2014-15 and 2015-16. - Rs.1162.81 was repayable on 15th January 2016 - Balance repayable in unequal pre - scheduled 40 quarterly installments starting April 2016 till March 2026.	- A first pari passu charge on all the fixed assets except Mumbai office, brands and intangible assets and other non-current assets, present and future - A first pasri passu charge over all bank accounts of the Company, subsidiaries and trusts, and all the receivables, book debts, and in all funds from time to time deposited therein and in all permitted investments or other securities representing all amounts credited to bank accounts of the Company, subsidiaries and trust. - A first charge on all intangible assets of the Company, assignment of agreements, rights, titles, clearances, insurance contract/insurance proceeds, uncalled capital and interest of the Company by way of first charge of the project documents, guarantees, other performance warranties, indemnities and securities - all rights, titles, interest, benefits, claim and demand of the Company in any letter of credit, guarantee, performance, or bond provided by any party to the project document.	A First Pari Passu Charge on ALL the Fixed Assets except Mumbai office, brands and intangible Assets and other non-current Assets, present and future - A First pasri Passu Charge over ALL Bank accounts of the Company, subsidiaries and trusts, and ALL the receivables, Book debts, and IN ALL funds from time to time deposited therein and IN ALL permitted investments or other securities representing ALL amounts credited to Bank accounts of the Company, subsidiaries and trust. - A First Charge on ALL intangible Assets of the Company, assignment of agreements, rights, titles, clearances, Insurance contract/Insurance proceeds, uncalled capital and interest of the Company by way of First Charge of the PROJECT documents, guarantees, other performance warranties, indemnities and securities- ALL rights, titles, interest, benefits, claim and demand of the Company IN any LETTER of credit, Guarantee, performance, or bond provided by any party to the PROJECT document.	A First Pari Passu Charge on ALL the Fixed Assets except Mumbai office, brands and intangible Assets and other non-current Assets, present and future - A First pasri Passu Charge over ALL Bank accounts of the Company, subsidiaries and trusts, and ALL the receivables, Book debts, and IN ALL funds from time to time deposited therein and IN ALL permitted investments or other securities representing ALL amounts credited to Bank accounts of the Company, subsidiaries and trust. - A First Charge on ALL intangible Assets of the Company, assignment of agreements, rights, titles, clearances, Insurance contract/Insurance proceeds, uncalled capital and interest of the Company by way of First Charge of the PROJECT documents, guarantees, other performance warranties, indemnities and securities- ALL rights, titles, interest, benefits, claim and demand of the Company IN any LETTER of credit, Guarantee, performance, or bond provided by any party to the PROJECT document.

EDUCOMP SOLUTIONS LIMITED NEW DELHI

NEW DELHI CHARTERED ACCOUNTANTS

(Rs. In millions unless otherwise stated)

							- First pari passu charge on all the fixed assets, brands and intangible assets, current assets and other non-current assets, present and future of the subsidiaries(excluding all assets of Knowledge Vistas Limited) and Third Party as may be agreed/ acceptable to the Trustee. - Unconditional and irrevocable Corporate Guarantee of Educomp Solutions Limited (Holding Company) - Corporate Guarantee of 21 land owing subsidiaries -Pledge of 45.5% fully paid-up unencumbereds share (14,584,541 shares) held by Educomp Solutions Limited (Holding company), Educomp School Management Limited, Shanatanu Prakash (director of the company and Mrs. Anjilee Prakash - Encumbered shares held by Educomp Solutions Limited(Holding Company) after released from IFC and Proparco -Pledge of shares of land owing subsidiaries held by company - Unconditional and irrevocable Personal Guarantee by Mr. Shantanu Prakash and Mr. Jagdish Prakash.	- First pari passu charge on all the fixed assets, brands and intangible assets, current assets and other non-current assets, present and future of the subsidiaries(excluding all assets of Knowledge Vistas Limited) and Third Party as may be agreed/ acceptable to the Trustee. - Unconditional and irrevocable Corporate Guarantee of Educomp Solutions Limited (Holding Company) - Corporate Guarantee of 21 land owing subsidiaries -Pledge of 45.5% fully paid-up unencumbereds share (14,584,541 shares) held by Educomp Solutions Limited (Holding company), Educomp School Management Limited, Shanatanu Prakash (director of the company and Mrs. Anjilee Prakash - Encumbered shares held by Educomp Solutions Limited(Holding Company) after released from IFC and Proparco -Pledge of shares of land owing subsidiaries held by company - Unconditional and irrevocable Personal Guarantee by Mr. Shantanu Prakash and Mr. Jagdish Prakash.	- First pari passu charge on all the fixed assets, brands and intangible assets, current assets and other non-current assets, present and future of the subsidiaries(excluding all assets of Knowledge Vistas Limited) and Third Party as may be agreed/ acceptable to the Trustee. - Unconditional and irrevocable Corporate Guarantee of Educomp Solutions Limited (Holding Company) - Corporate Guarantee of 21 land owing subsidiaries -Pledge of 45.5% fully paid-up unencumbereds share (14,584,541 shares) held by Educomp Solutions Limited (Holding company), Educomp School Management Limited, Shanatanu Prakash (director of the company and Mrs. Anjilee Prakash - Encumbered shares held by Educomp Solutions Limited(Holding Company) after released from IFC and Proparco -Pledge of shares of land owing subsidiaries held by company - Unconditional and irrevocable Personal Guarantee by Mr. Shantanu Prakash and Mr. Jagdish Prakash.
Corporate loan$* (Loan taken by EISML) (m)	1,002.61	1,031.76	1,156.69	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14 and 2014-15. - Rs. 21.76 million is repayable on 15th January 2016 respectively - Balance repayable in unequal pre - scheduled 40 quarterly installments starting April 2016 till March 2026	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14 and 2014-15. - Rs.124.93 milion and Rs. 21.76 million is repayable on 1st April 2015 and 15th January 2016 respectively - Balance repayable in unequal pre - scheduled 40 quarterly installments starting April 2016 till March 2026	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14 and 2014-15. - Rs.124.93 and Rs.21.76 is repayable on 1st April 2015 and 15th January 2016 respectively - Balance repayable in unequal pre - scheduled 40 quarterly installments starting April 2016 till March 2026	- Second charge on all the fixed assets except Mumbai office, brands and intangible assets and other non-current assets, present and future - Second charge over all current assets (present and future) of the Company. '- Second pari passu charge on all the fixed assets(movable and immovable), brands and intangible assets, present and future of the subsidiaries(excluding all assets of Knowledge Vistas Limited) and Third Party as may be agreed/ acceptable to the Trustee. - Unconditional and irrevocable Corporate Guarantee of Educomp Solutions Limited (Holding Company) - Unconditional and irrevocable Personal Guarantee by Mr. Shantanu Prakash and Mr. Jagdish Prakash.	- Second charge on all the fixed assets except Mumbai office, brands and intangible assets and other non-current assets, present and future - Second charge over all current assets (present and future) of the Company. '- Second pari passu charge on all the fixed assets(movable and immovable), brands and intangible assets, present and future of the subsidiaries(excluding all assets of Knowledge Vistas Limited) and Third Party as may be agreed/ acceptable to the Trustee. - Unconditional and irrevocable Corporate Guarantee of Educomp Solutions Limited (Holding Company) - Unconditional and irrevocable Personal Guarantee by Mr. Shantanu Prakash and Mr. Jagdish Prakash.	- Second charge on all the fixed assets except Mumbai office, brands and intangible assets and other non-current assets, present and future - Second charge over all current assets (present and future) of the Company. '- Second pari passu charge on all the fixed assets(movable and immovable), brands and intangible assets, present and future of the subsidiaries(excluding all assets of Knowledge Vistas Limited) and Third Party as may be agreed/ acceptable to the Trustee. - Unconditional and irrevocable Corporate Guarantee of Educomp Solutions Limited (Holding Company) - Unconditional and irrevocable Personal Guarantee by Mr. Shantanu Prakash and Mr. Jagdish Prakash.
Funded interest term loans**(Loan taken by EISML) (b)	-	-	1,574.68	Not applicable	Not applicable	Re-payable on April 1, 2015 carries interest @11%	Not applicable	Not applicable	As disclosed above for term loans.
Term loan (n)	-	74.70	103.40	Not applicable	Repayable on December 31, 2014	Repayable on December 31, 2014	Not applicable	-First pari-passu charge over all the current assets of the company including receivables from ESSPL and receivables brought from ESSPL, (after meeting obligation of respective banks) out of fresh corporate loans as also unencumbered receivables at ESSPL. -First pari-passu charge over all the fixed assets of the company. - General charge on receivable from Government of Karnataka, Uttar Pradesh and Gujarat. - Pledge of all unencumbered shares of the company held by the promoters. - Pledge of shares of all the unencumbered investments held by ESL in its group companies. - Pledge of all unencumbered shares of subsidiaries of company held by Mr. Shantanu Prakash in its personal capacity. - Corporate guarantee of M/s. Edu Smart Services Pvt. Limited. - Personal guarantee of promoters. - First pari passu charge on one of the personal property of Mr. Shantanu Prakash.	-First pari-passu charge over all the current assets of the company including receivables from ESSPL and receivables brought from ESSPL, (after meeting obligation of respective banks) out of fresh corporate loans as also unencumbered receivables at ESSPL. -First pari-passu charge over all the fixed assets of the company. - General charge on receivable from Government of Karnataka, Uttar Pradesh and Gujarat. - Pledge of all unencumbered shares of the company held by the promoters. - Pledge of shares of all the unencumbered investments held by ESL in its group companies. - Pledge of all unencumbered shares of subsidiaries of company held by Mr. Shantanu Prakash in its personal capacity. - Corporate guarantee of M/s. Edu Smart Services Pvt. Limited. - Personal guarantee of promoters. - First pari passu charge on one of the personal property of Mr. Shantanu Prakash.

(Rs. In millions unless otherwise stated)

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Funded interest term loan FITL (c)	-	-	115.70	Not applicable	Not applicable	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ending December 31, 2015 and ending in quarter ending March 31, 2023. installments / Amount per inst. 1-2 / 2.31 3-14 / 3.47 15-30 / 4.34	Not applicable	Not applicable	-First pari-passu charge over all the current assets of the company including receivables from ESSPL and receivables brought from ESSPL, (after meeting obligation of respective banks) out of fresh corporate loans as also unencumbered receivables at ESSPL. -First pari-passu charge over all the fixed assets of the company. - General charge on receivable from Government of Karnataka, Uttar Pradesh and Gujarat. - Pledge of all unencumbered shares of the company held by the promoters. - Pledge of shares of all the unencumbered investments held by ESL in its group companies. - Pledge of all unencumbered shares of subsidiaries of company held by Mr. Shantanu Prakash in its personal capacity. - Corporate guarantee of M/s. Edu Smart Services Pvt. Limited. - Personal guarantee of promoters. - First pari passu charge on one of the personal property of Mr. Shantanu Prakash.

Restructuring of existing facilities

During the year ended March 31, 2015, the Company entered into Restructuring Agreement subject to term and conditions set out in the facility letter and the master credit terms agreement, restructuring its existing facilities on August 29, 2014 with Standard Chartered Bank. Accordingly, the Company has accounted interest at revised rate of 11% with effect from September 01, 2014 for term loan (l) and April 01, 2013 for other facilities (FITL (b) and working capital facility (c)). The interest due with effect from April 01, 2013 till March 31, 2015 at revised rates amounting Rs. 115.70 million was converted into Funded Interest Term Loan (FITL (b)).

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Term loan (o)	300.00	400.00	464.66	Balance repayable in 2 equal quarterly installments of Rs. 46.47 million starting quarter ended December 31, 2013 and quarter ending September 30, 2017.	Balance repayable in 6 equal quarterly installments of Rs. 46.47 million starting quarter ended December 31, 2013 and quarter ending September 30, 2017.	Balance repayable in 6 equal quarterly installments of Rs. 46.47 million starting quarter ended December 31, 2013 and 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.	- 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.	- 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 (p)	359.80	609.80	-	Repayble in 14 unequal quarterly installments commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2019.	Repayble in 14 unequal quarterly installments commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2019.	Not applicable	-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.	-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.	Not applicable
Working capital facility (b)#	-	-	499.80	Not applicable	Not applicable	Payable on demand	Not applicable	Not applicable	-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."

EDUCOMP SOLUTIONS LIMITED NEW DELHI

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Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Working capital facility (c)#	-	-	556.94	Not applicable	Not applicable	Payable on demand	Not applicable	Not applicable	-First pari-passu charge over all the current assets of the company including receivables from ESSPL and receivables brought from ESSPL, (after meeting obligation of respactive banks) out of fresh corporate loans as also unencumbered receivables at ESSPL. -First pari-passu charge over all the fixed assets of the company. - General charge on receivable from Government of Karnataka, Uttar Pradesh and Gujarat. - Pledge of all unencumbered shares of the company held by the promoters. - Pledge of shares of all the unencumbered investments held by ESL in its group companies. - Pledge of all unencumbered shares of subsidiaries of company held by Mr. Shantanu Prakash in its personal capacity. - Corporate guarantee of M/s. Edu Smart Services Pvt. Limited. - Personal guarantee of promoters. - First pari passu charge on one of the personal property of Mr. Shantanu Prakash."
Vehicle loan (Loan taken by EISML) (a)	-	-	0.07	Not applicable	Not applicable	- The loans carries interest ranging from 10% to 14%. - Repayable on equated monthly installments over different periods till December 2014.	Not applicable	Not applicable	Secured by hypothecation of respective vehicles.
Loan from Banks [Loan taken by Educomp Asia Pacific Pte Ltd. (EAPL)] (q)	954.10	968.79	910.57	Carries interest rate at LIBOR Rate + 3.5%. Term Loan is repayable in 4 equal yearly installments, after a moratorium of 3 years effective from May 2012.	Carries interest rate at LIBOR Rate + 3.5%. Term Loan is repayable in 4 equal yearly installments, after a moratorium of 3 years effective from May 2012.	Carries interest rate at LIBOR Rate + 3.5%. Term Loan is repayable in 4 equal yealry installments, after a moratorium of 3 years effective from May 2012.	- Corporate Guarantee of Educomp Solutions Limited. - Bank's lien over the entire cash flow of EAPL including dividend receivables from the acquired Company. - Pledge of the shares of the subsidiaries.	- Corporate Guarantee of Educomp Solutions Limited. - Bank's lien over the entire cash flow of EAPL including dividend receivables from the acquired Company. - Pledge of the shares of the subsidiaries.	- Corporate Guarantee of Educomp Solutions Limited. - Bank's lien over the entire cash flow of EAPL including dividend receivables from the acquired Company. - Pledge of the shares of the subsidiaries.
Working capital facilities from bank (Taken by Educomp Software Ltd.) (d) #	70.62	62.71	-	Repayble on demand	Repayble on demand	Not applicable	- Exclusive Charge on ALL present and future receivables of ICT PROJECT from AMTRON/ Assam Government and designated receivables of ESSPL. - Exclusive Charge on ALL present and future current Assets of the borrower company. - Subservient Charge on ALL present and future Movable Fixed Assets and Exclusive Charge on entire intangible Assets of the company. - Unconditional and irrevocable personal gurantee of promoter Mr. Shantanu Prakash.	- Exclusive Charge on ALL present and future receivables of ICT PROJECT from AMTRON/ Assam Government and designated receivables of ESSPL. - Exclusive Charge on ALL present and future current Assets of the borrower company. - Subservient Charge on ALL present and future Movable Fixed Assets and Exclusive Charge on entire intangible Assets of the company. - Unconditional and irrevocable personal gurantee of promoter Mr. Shantanu Prakash.	Not applicable
Term Loan [Loan Taken by Educomp Intelliprop. Venture Pte. Ltd. (Fromerly known as Educomp Intelprop Venture Pte Ltd.)] (r)	-	137.02	1,153.25	Not applicable	Term loan was repayable on or before November 24, 2015 and Rate of Interest is percentage rate per annum which is aggregate of 6 month LIBOR plus 650 bps p.a.	Term Loan is repayable in 1 year 20 days from July 25, 2014, date of disbursement. Rate of interest is percentage rate per annum which is aggregate of 6 month LIBOR plus 650 bps p.a.	Not applicable	- First charge on entire assets, brand including intangible assets of the borrower - Unconditional and irrevocable Personal guarantee of Mr. Shantanu Prakash - Unconditional and irrevocable Corporate guarantee of EISML and ESSPL.	- First charge on entire assets, brand including intangible assets of the borrower and obligers -Escrow and charge on the escrow of all cash flows of borrower and obligers - Pledge of 100% shareholding of Educomp Intelliprop. Venture Pte. Ltd -Secured by pledge on the share capital on the subsidiary companies. - Unconditional and irrevocable Personal guarantee of Mr. Shantanu Prakash - Unconditional and irrevocable Corporate guarantee of EISML and ESSPL.

EDUCOMP SOLUTIONS LIMITED NEW DELHI

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Educomp Solutions Limited
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(Rs. In millions unless otherwise stated)

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Term Loan [Loan Taken by Educomp Learning Hour Pvt. Ltd.(ELHPL)] (s)	333.33	466.62	599.97	One time repayment on or before 31st March, 2017. Rate of interest @11% (upto 22nd July, 2016, 12 quarterly installments of Rs. 666.33 lacs each starting from 28th August 2014 carries interest @ 13.50%)	12 quarterly installments of Rs. 666.33 lacs each starting from 28th August 2014 carries interest rate @ 13.50%	12 quarterly installments of Rs. 666.33 lacs each starting from 28th August 2014 carries interest rate @ 13.50%	The Facility shall be secured by following : From ESL - Pledge over 30% of Shares and NDU/POA of 36.99% of VMCL From EOSSL - Pledge over 29.88% of Shares and NDU/POA of 70.12% shares of ELHPL From ESPL - Exclusive Charge over Escrow Account receivables of ESPL under contracts/ agreements with certain schools From ELHPL - First charge over ELHPL Escrow Account - First charge, by way of hypothecation, on ALL present and future fixed assets and current assets of ELHPL - Assignment of rights under agreement dated October 1, 2010 and subsequent addendum agreement to be entered into between ELHPL and VMCL - Corporate guarnatee of ESL, EOSSL and ESSPL. -Corporate guarantee of Vidya Mandir Classes Ltd to the extent of 67% of profits. -Personal guarantee of Mr. Shantanu Prakash.	The Facility shall be secured by following : From ESL - Pledge over 30% of Shares of VMCL From EOSSL - Pledge over 29.88% of Shares of ELHPL From ESPL - Exclusive Charge over Escrow Account receivables of ESPL under contracts/ agreements with certain schools From ELHPL - First charge over ELHPL Escrow Account - First charge, by way of hypothecation, on ALL present and future fixed assets and current assets of ELHPL - Assignment of rights under agreement dated October 1, 2010 and subsequent addendum agreement to be entered into between ELHPL and VMCL - Corporate guarnatee of ESL, EOSSL and ESSPL. -Corporate guarantee of Vidya Mandir Classes Ltd to the extent of 67% of profits. -Personal guarantee of Mr. Shantanu Prakash.	The Facility shall be secured by following : From ESL - Pledge over 30% of Shares of VMCL From EOSSL - Pledge over 29.88% of Shares of ELHPL From ESPL - Exclusive Charge over Escrow Account receivables of ESPL under contracts/ agreements with certain schools From ELHPL - First charge over ELHPL Escrow Account - First charge, by way of hypothecation, on ALL present and future fixed assets and current assets of ELHPL - Assignment of rights under agreement dated October 1, 2010 and subsequent addendum agreement to be entered into between ELHPL and VMCL - Corporate guarnatee of ESL, EOSSL and ESSPL. -Corporate guarantee of Vidya Mandir Classes Ltd to the extent of 67% of profits. -Personal guarantee of Mr. Shantanu Prakash.
Term Loan [Loan Taken by Educomp Learning Hour Pvt. Ltd.(ELHPL)] (t)	400.00	400.00	334.11	One time repayment on or before 31st March, 2017. Rate of interest @11% (upto 22nd July, 2016, 8 quarterly installments of Rs. 417.63 lacs each starting from 30th June 2017 carries interest @ 11.50%).	8 quarterly installments of Rs. 417.63 lacs each starting from 30th June 2017 carries interest rate @ 11.50%	8 quarterly installments of Rs. 417.63 lacs each starting from 30th June 2017 carries interest rate @ 11.50%			
Term Loan [Loan Taken by Knowledge Vistas Ltd. (KVL] (u)	140.00	137.66	137.33	Payable with in 60 days of Notice dated August 04, 2016 under section 13 (2) of the SRFAESI Act, 2002.	14 balooning semi annual installments starting from 29th September 2018 - ABBR+3% i.e. Currently 13% p.a	14 balooning semi annual installments starting from 29th September 2018 - ABBR+3% i.e. Currently 13% p.a	-Primary security- exclusive first charge on moveable and immobavle property of KVL. -KVL has to maintain a debt service reserve account as a fixed deposit with the bank amounting to trailing one quarter's interest. The DSCR will be built-up over a period of 90 days from start of operations and not later than 30th September 2016. -Fresh valuation of mortgaged property needs to be carried out at least once in every 2 year by Banks approved valuer. Cost need to be borne by KVL. -Irrevocable and unconditional corporate guarantees of Educomp Infrastructure & School Management Limited and Lavasa Corporation Limited inproportion to their share holding.	-Primary security- exclusive first charge on moveable and immobavle property of KVL. -Secondary security- exclusive first charge on all current assets of the company and DSCRA equal to on quarter of intererst to be started latest by 30th September 2016. -KVL has to maintain a debt service reserve account as a fixed deposit with the bank amounting to trailing one quarter's interest. The DSCR will be built-up over a period of 90 days from start of operations and not later than 30th September 2016. -Fresh valuation of mortgaged property needs to be carried out at least once in every 2 year by Banks approved valuer. Cost need to be borne by KVL. -Irrevocable and unconditional corporate guarantees of Educomp Infrastructure & School Management Limited and Lavasa Corporation Limited inproportion to their share holding.	-Primary security- exclusive first charge on moveable and immobavle property of KVL. -Secondary security- exclusive first charge on all current assets of the company and DSCRA equal to on quarter of intererst to be started latest by 30th September 2016. -KVL has to maintain a debt service reserve account as a fixed deposit with the bank amounting to trailing one quarter's interest. The DSCR will be built-up over a period of 90 days from start of operations and not later than 30th September 2016. -Fresh valuation of mortgaged property needs to be carried out at least once in every 2 year by Banks approved valuer. Cost need to be borne by KVL. -Irrevocable and unconditional corporate guarantees of Educomp Infrastructure & School Management Limited and Lavasa Corporation Limited inproportion to their share holding.
Loan From Bank (Loan Taken by Educomp Software Ltd.) (v) #	78.63	39.50	-	Repayment in four equal quarterly installments starting from December, 2016,	Repayment in four equal quarterly installments starting from December, 2016,	Not applicable	- First exclusive charge by way of assignment of specific ESSPL receivables (including arbitration awards) with a minimum receivable cover of 1.5x. - DSRA in the form of subsequent quarter's Principal + Interest obligation to keep upfront. - Personal guarantee of Shantanu Prakash.	- First exclusive charge by way of assignment of specific ESSPL receivables (including arbitration awards) with a minimum receivable cover of 1.5x. - DSRA in the form of subsequent quarter's Principal + Interest obligation to keep upfront. - Personal guarantee of Shantanu Prakash.	Not applicable

EDUCOMP SOLUTIONS LIMITED NEW DELHI

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Term loan (Taken by Edusmart Services Pvt. Ltd.) (w)	163.20	164.43	244.00	-The term Rupee loan under the facility -1 is to be repaid in 19 quarterly instalments. The 1st quarterly instalment shall be repaid 6 months after the date of disbursement. -The term Rupee loan under facility-2 is to be repaid in 16 quarterly instalments. The 1st quarterly instalment shall be repaid 6months after the date of disbursement. -Interest to be repaid on monthly basis.	-The term Rupee loan under the facility -1 is to be repaid in 19 quarterly instalments. The 1st quarterly instalment shall be repaid 6 months after the date of disbursement. -The term Rupee loan under facility-2 is to be repaid in 16 quarterly instalments. The 1st quarterly instalment shall be repaid 6months after the date of disbursement. -Interest to be repaid on monthly basis.	-The term Rupee loan under the facility -1 is to be repaid in 19 quarterly instalments. The 1st quarterly instalment shall be repaid 6 months after the date of disbursement. -The term Rupee loan under facility-2 is to be repaid in 16 quarterly instalments. The 1st quarterly instalment shall be repaid 6months after the date of disbursement. -Interest to be repaid on monthly basis.	-First Charge on receivables present/future. -First charge on the money lying in the DSRA account. -First Pari-passu charge on the monies lying in the trust & retention account. -First Pari Passu Charge on Movable Fixed Assets of the contracts of ESL with Existing Schools. -Corporate Guarantee from Educomp Solutions Limited. -Pledge of 51% shareholding of 2 promoters.	-First Charge on receivables present/future. -First charge on the money lying in the DSRA account. -First Pari-passu charge on the monies lying in the trust & retention account. -First Pari Passu Charge on Movable Fixed Assets of the contracts of ESL with Existing Schools. -Corporate Guarantee from Educomp Solutions Limited. -Pledge of 51% shareholding of 2 promoters.	-First Charge on receivables present/future. -First charge on the money lying in the DSRA account. -First Pari-passu charge on the monies lying in the trust & retention account. -First Pari Passu Charge on Movable Fixed Assets of the contracts of ESL with Existing Schools. -Corporate Guarantee from Educomp Solutions Limited. -Pledge of 51% shareholding of 2 promoters.
Term loan (Taken by Edusmart Services Pvt. Ltd.) (x)	86.90	115.81	184.40	The term Rupee loan to be repaid in 11 quarterly instalments starting from march, 2015	The term Rupee loan to be repaid in 11 quarterly instalments starting from march, 2015	The term Rupee loan to be repaid in 11 quarterly instalments starting from march, 2015	- First Pari Passu Charge with ICICI Bank, Standard chartered & PNB on the receivables of the designated schools. - First Pari Passu charge on the TRA account with the ICICI Bank, Standard Chartered and PNB. - Exclusive Charge on DSRA for Bank's Share. - First Pari Passu Charge on Movable Fixed Assets of designated pool of schools. - Corporate Guarantee from Educomp Solutions Limited. - Pari Passu rights on Pledge of 51% shareholding of 2 promoters.	- First Pari Passu Charge with ICICI Bank, Standard chartered & PNB on the receivables of the designated schools. - First Pari Passu charge on the TRA account with the ICICI Bank, Standard Chartered and PNB. - Exclusive Charge on DSRA for Bank's Share. - First Pari Passu Charge on Movable Fixed Assets of designated pool of schools. - Corporate Guarantee from Educomp Solutions Limited. - Pari Passu rights on Pledge of 51% shareholding of 2 promoters.	- First Pari Passu Charge with ICICI Bank, Standard chartered & PNB on the receivables of the designated schools. - First Pari Passu charge on the TRA account with the ICICI Bank, Standard Chartered and PNB. - Exclusive Charge on DSRA for Bank's Share. - First Pari Passu Charge on Movable Fixed Assets of designated pool of schools. - Corporate Guarantee from Educomp Solutions Limited. - Pari Passu rights on Pledge of 51% shareholding of 2 promoters.
Term loan (Taken by Edusmart Services Pvt. Ltd.) (y)	324.64	368.80	396.65	The term Rupee loan is to be repaid in 19 quarterly instalments. The 1st quarterly instalment shall be repaid 6months after the date of disbursement.	The term Rupee loan is to be repaid in 19 quarterly instalments. The 1st quarterly instalment shall be repaid 6months after the date of disbursement.	The term Rupee loan is to be repaid in 19 quarterly instalments. The 1st quarterly instalment shall be repaid 6months after the date of disbursement.	- First Charge on receivables present/future. - First charge on the money lying in the DSRA account. - First Pari-passu charge on the monies lying in the trust & retention account. - First Pari Passu Charge on Movable Fixed Assets of the contracts of ESL with Existing Schools. - Corporate Guarantee from Educomp Solutions Limited. - Pledge of 51% shareholding of 2 promoters	- First Charge on receivables present/future. - First charge on the money lying in the DSRA account. - First Pari-passu charge on the monies lying in the trust & retention account. - First Pari Passu Charge on Movable Fixed Assets of the contracts of ESL with Existing Schools. - Corporate Guarantee from Educomp Solutions Limited. - Pledge of 51% shareholding of 2 promoters	- First Charge on receivables present/future. - First charge on the money lying in the DSRA account. - First Pari-passu charge on the monies lying in the trust & retention account. - First Pari Passu Charge on Movable Fixed Assets of the contracts of ESL with Existing Schools. - Corporate Guarantee from Educomp Solutions Limited. - Pledge of 51% shareholding of 2 promoters
Term loan (Taken by Edusmart Services Pvt. Ltd.) (z)	158.32	221.82	304.32	The repayment of each tranche shall be made in 11 quarterly instalments commencing at the end of 9 months from the April 1, 2014 In previous year The repayment of each tranche shall be made in 20 quarterly instalments commencing at the end of 3 months from the date of disbursement of the respective tranche.	The repayment of each tranche shall be made in 11 quarterly instalments commencing at the end of 9 months from the April 1, 2014 In previous year The repayment of each tranche shall be made in 20 quarterly instalments commencing at the end of 3 months from the date of disbursement of the respective tranche.	The repayment of each tranche shall be made in 11 quarterly instalments commencing at the end of 9 months from the April 1, 2014 In previous year The repayment of each tranche shall be made in 20 quarterly instalments commencing at the end of 3 months from the date of disbursement of the respective tranche.	- First Charge by way of hypothecation of receivables of the company from private schools. - Company shall maintain an asset cover of at least 1.8 times (based on receivables) of the loan amount at all times during the currency of the loan. - Corporate Guarantee to the extent of Rs. 7.50 crore from Educomp Solutions Limited.	- First Charge by way of hypothecation of receivables of the company from private schools. - Company shall maintain an asset cover of at least 1.8 times (based on receivables) of the loan amount at all times during the currency of the loan. - Corporate Guarantee to the extent of Rs. 7.50 crore from Educomp Solutions Limited.	- First Charge by way of hypothecation of receivables of the company from private schools. - Company shall maintain an asset cover of at least 1.8 times (based on receivables) of the loan amount at all times during the currency of the loan. - Corporate Guarantee to the extent of Rs. 7.50 crore from Educomp Solutions Limited.
Term loan (Taken by Edusmart Services Pvt. Ltd.) (aa)	177.59	223.84	311.09	The term Rupee loan to be repaid in 19 quarterly instalments starting after 3 months of disbursement.	The term Rupee loan to be repaid in 19 quarterly instalments starting after 3 months of disbursement.	The term Rupee loan to be repaid in 19 quarterly instalments starting after 3 months of disbursement.	- First Charge on receivables from designated Schools. - Exclusive charge on the Trust & Retention/ Escrow Account maintained with DBS Bank Limited. - Exclusive Charge on DSRA equivalent to 1 Quarter's principal plus interest obligations. - Assignment of rights by way of hypothecation of ESPL under the tripartite agreement. - Corporate Guarantee from Educomp Solutions Limited. - Pledge of 51% of the shares of ESSPL on pari passu basis with other lenders.	- First Charge on receivables from designated Schools. - Exclusive charge on the Trust & Retention/ Escrow Account maintained with DBS Bank Limited. - Exclusive Charge on DSRA equivalent to 1 Quarter's principal plus interest obligations. - Assignment of rights by way of hypothecation of ESPL under the tripartite agreement. - Corporate Guarantee from Educomp Solutions Limited. - Pledge of 51% of the shares of ESSPL on pari passu basis with other lenders.	- First Charge on receivables from designated Schools. - Exclusive charge on the Trust & Retention/ Escrow Account maintained with DBS Bank Limited. - Exclusive Charge on DSRA equivalent to 1 Quarter's principal plus interest obligations. - Assignment of rights by way of hypothecation of ESPL under the tripartite agreement. - Corporate Guarantee from Educomp Solutions Limited. - Pledge of 51% of the shares of ESSPL on pari passu basis with other lenders.

(Rs. In millions unless otherwise stated)

Particulars	Amount Outstanding			Terms of repayment			Security		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Loan from others-unsecured									
From others - unsecured (a)	353.20	412.20	624.93	There are two loans to repayable in 26 & 45 unequal monthly installments as per their repayment schedules.	There are two loans to repayable in 26 & 45 unequal monthly installments as per their repayment schedules.	There are two loans to repayable in 26 & 45 unequal monthly installments as per their repayment schedules.	Not applicable	Not applicable	Not applicable
From others - unsecured (b) #	12.00	22.00	22.00	Rs. 12.00 million is over due as on Balance Sheet date.	Of Rs. 22.00 million, Rs. 10.00 million is repayable on February 28, 2017. and Rs. 12.00 million is over due as on Balance Sheet date.	Of Rs. 22.00 million, Rs. 10.00 million is repayable on February 29, 2016. and Rs. 12.00 million is over due as on Balance Sheet date.	Pledge of shares of the Company held by Mr. Shantanu Prakash.	Pledge of shares of the Company held by Mr. Shantanu Prakash.	Pledge of shares of the Company held by Mr. Shantanu Prakash.
Finance lease	-	-	24.54	Not applicable	Not applicable	Balance to be repayable in 18	Not applicable	Not applicable	Not applicable
From others - unsecured (c)	Refer note 13.1(d)	Refer note 13.1(d)	Refer note 13.1(d)	Interest free loan repayable after final settlement date as per CDR MRA.	Interest free loan repayable after final settlement date as per CDR MRA.	Interest free loan repayable after final settlement date as per CDR MRA.	Not applicable	Not applicable	Not applicable
Deferred payment liabilities (Expenses)	-	5.19	3.87	Not applicable	Repayable on demand	Repayable on demand	Not applicable	Not applicable	Not applicable
From others - unsecured (d) (SAVVICA Inc.)	5.61	5.89	5.71	Repayble on demand	Repayble on demand	Repayble on demand	Not applicable	Not applicable	Not applicable
From others - unsecured (e) Edusmart services private limited	6.15	6.15	6.15	Interest free loan repayble after repayment of SICOM loan facility.	Interest free loan repayble after repayment of SICOM loan facility.	Interest free loan repayble after repayment of SICOM loan facility.	Not applicable	Not applicable	Not applicable
From others - unsecured [Loan Taken by Educomp Learning Hour Private Limited.(ELHPL)] (f)	453.72	-	-	Not applicable	Not applicable	Not applicable	To be payable over the period of three years as and when demanded. Rate of interest at 9%.	Not applicable	Not applicable

* In respect of 450, 13.25% to 13.50% Secured Redeemable Non Convertible Debentures of Rs. 1 million each aggregating Rs. 450.00 million, 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.

**Converted into 92,134 0.10% cumulative compulsory covertible preference share of Rs. 100 each at a premium of Rs. 16,987 per share

Working capital facility (a) to (d), Term Loan (v) and loan from others unsecured (b) constitute short term borrowings.

^ Amount due during the year is converted into 7,866 0.10% Cumulative Compulsory convertible prefernce shares of Rs. 100 each at a premium of Rs. 16,987 per share.

$ Charge is pending to register in respect of certain securites

Notes:

(i) Term loan (a) to (l), corporate loan (m), working capital term loan, funded interest term loan (a) & (b), working capital facility (a) are at interest rate of ranging 10% to 11% p.a constitutes CDR Loans. (March 31, 2016 10.25% to 11% p.a. and April 01, 2015 10.25% to 11% p.a.)

(ii) Term loan (n) to (p), funded interest term loan (c) and working capital facility (b) and (c) are at varying rate of interest ranging from 9% to 13.45% p.a. (March 31, 2016 11% to 13.45% p.a. and April 01, 2015 11% to 13.45% p.a.)

(iii) Term loans (q) & (r) were at interest rate of LIBOR + 3.5% to 6.00%p.a. (March 31, 2016 LIBOR + 3.5% to 6.00%p.a. and April 01, 2015 LIBOR + 3.5% to 6.00%p.a.)

(iv) Term loan (s) to (aa) are at varying rate of interest ranging from 11.00% to 15.75%. (March 31, 2016 11.00% to 15.75 p.a. and April 01, 2015 11.00% to 15.75% p.a.)

(v) Loans from other (a) to (b) are at varying rate of interest ranging from 12.50% to 18%p.a.(March 31, 2016 12.5% to 18.00%p.a. and April 01, 2015 12.5% to 18.00%p.a.)

(vi) Vehicle loan (a) are at interest rate ranging from 10% to 14%

(vii) Deferred payment liabilities (Leasehold Land) carries interest of 11%

(viii) FCCB are zero coupon bonds and do not carry interest.

(ix) ECB are at interest rate of 4.5% p.a.+LIBOR (March 31, 2016 4.5% p.a.+LIBOR and April 01, 2015 4.5% p.a.+LIBOR)

(x) Non Convertible Debentures are at interest rate ranging from 13.25% to 13.50% p.a. (March 31, 2016 13.25% to 13.50% p.a. and April 01, 2015 13.25% to 13.50% p.a.)

(xi) Aggregate of loan amount guaranteed by promoter Mr. Shantanu Prakash and Mr. Jagdish Prakash Rs. 27,095.89 million (March 31, 2016 Rs. 28,006.89 million and April 01, 2015 Rs. 30,747.56 million).

(xii) For Term Loan (p) during the year the group has written back liability of Rs. 250.00 million and it has been shown as exceptional item for details refer note 24.

(xiii) The Educomp Asia Pacific Pte. Limited has made default on payment of term loans have been classified as NPA by the banks. Consequently the term loans are now payable and have accordingly been classified as other financial liability as per Note 14.3 as current maturities of long term borrowings.

Corporate debt restructuring scheme- Holding Company (Educomp Solution Limited)

Educomp Solution Limited (ESL) 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, ESL has received a contribution from its promoter amounting to Rs.614.65 million (FY 2015-16 Rs. 584.65 million and FY 2014-15 Rs. 354.65 million) as at March 31, 2017. 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 ESL 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, ESL 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.
- (iii) The CDR scheme envisages monetization of certain assets of ESL 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, ESL had acquired trade receivable of Edu Smart Services Private Limited (ESSPL) amounting to Rs. Nil for the March 31, 2017 and March 31, 2016 (April 01, 2015 Rs. 3,846.23 million) (term loan (f) to (k)) by the CDR lenders. These receivables accrue to Edu Smart Services Private Limited under Tripartite agreement between, ESL, ESSPL and Schools/trust wherein in substance, ESL was key service provider. Towards settlement of rest of the consideration, ESL has adjusted its receivable from ESSPL amounting to Rs. Nil for the March 31, 2017 and March 31, 2016 (April 01, 2015 Rs. 2,347.55 million). ESL 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 ESL 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 ESL for trade receivables and redemption of redeemable non convertible preference shares. However, the approved CDR Scheme has mandated merger of ESSPL with ESL and accordingly, ESL 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, ESL 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 of 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 ESL, but the lenders have not exercised the rights as at balance sheet date. The number of shares and the share issue price shall be determined as per the guidelines of the CDR cell.

(Rs. In millions unless otherwise stated)

Corporate debt restructuring scheme (EISML)

EISML had executed the Master Restructuring Agreement (MRA) / other definitive documents on December 28, 2013 with the 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").

From April 1, 2013 (the "cut- off date"), the interest on the restructured debts has been recomputed and provided at the effective interest rates as per the approved CDR scheme on the balances as appearing in the books of account.

Out of the existing term loans of Rs. 6,881.29 million (March 31, 2016 Rs.7,269.06 million and April 1, 2015 Rs. 7,269.06 million), Rs. 6,858.76 (March 31, 2016 Rs. 6,045.60 million and April 1, 2015 Rs. 6,106.25 million) has been classified as non current borrowing and Rs. 22.53 million (March 31, 2016 Rs. 1,223.46 million and April 1, 2015 Rs. 1,162.81 million) as current maturities, which is as per revised terms. Pursuant to revised terms term loans were repayable in pre - scheduled quarterly installments starting January 15, 2016 till March 2026.

The interest due amounting to Rs. Nil (Previous year Rs. 787.23 million) has been converted into Funded Interest Term Loan (FITL).

Note 14.1 (f). Details of continuing default in repayment of loan or interest as at March 31, 2017 is given below:

Holding Company

The Holding Company has made default in making the repayment of installments as at the balance sheet date. The same has been shown as continuing default of loan as at March 31, 2017 under table below.The default details are as under:

1. Term loan (a) to (c) and (g) to (k) six instlament in default due during the period December 31, 2015 to March 31, 2017.
2. Term loan (d) three instlament in default due during the period September 30, 2016 to March 31, 2017.
3. Term loan (e) and (f) five installment in default due during the period March 31, 2016 to March 31, 2017.
4. In case of funded interest term loan (FITL) (a) and Working interest term loan (WCTL) six installments are in default, due during the period December 31, 2015 to March 31, 2017 of SBI, ICICI, Syndicate, Canara, and SCB banks.
5. In case of (FITL) (a) and (WCTL) five installments are in default, due during the period March 31, 2016 to March 31, 2017 of Axis and Indusind banks.
6. In case of (FITL) (a) and (WCTL) four installments are in default, due during the period June 30, 2016 to March 31, 2017 of SBOP banks.
7. In case of (WCTL) two installments are in default, due during the period December 31, 2016 to March 31, 2017 of SBBJ banks.

Particulars	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	1,262.90	2,912.45	2,187.88
March 31, 2016				
Repayment of principal	976.39	433.97	65.98	86.70
Interest	611.76	129.24	170.85	333.02
	1,588.15	563.21	236.83	419.72
April 01, 2015				
Repayment of principal	16.90	103.40	-	12.00
Interest	237.04	25.48	168.57	123.64
	253.94	128.88	168.57	135.64

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

Other than Holding Company

Particulars	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	-	1,530.27	1,235.73	5,273.90
Interest	-	963.79	620.89	1,409.63
	-	2,494.06	1,856.62	6,683.53
March 31, 2016	84.75	4,415.36	508.46	2,289.24
April 01, 2015**	-	-	-	-

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

** Details of continuing default in repayment of loan or interest as at April 1, 2015 are not available with the Management/RP of the Holding Company.

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Note 14.2 Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Sundry creditors			
Trade Payables			
-due to micro and small enterprises (refer note 40)	7.90	2.58	0.95
-due to others	1,546.22	1,002.28	1,148.54
Trade Payables to Related Party*	1.71	0.45	0.29
Total	1,555.83	1,005.31	1,149.78
*Includes following related party trade payables (refer note 30)			
Other related parties			
DSK Legal	1.51	0.24	-
V. K. Dandona	0.20	0.20	0.29
	1.71	0.44	0.29

*Refer note 30 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 14.3 Other financial liabilities

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non current	Current	Non current	Current	Non current	Current
Current maturities of long term debts - ECB*	-	4,538.70	-	4,643.30	-	4,381.36
Current maturities of long term debts - FCCB *	-	848.46	-	-	-	-
Current maturities of long term debts - Term Loans*	-	19,170.02	-	20,693.82	-	15,002.00
Current maturities of long term debts - Non- Convertible Debentures*	-	450.00	-	450.00	-	-
Current maturities of long term debts - from other parties*	-	349.64	-	400.71	-	624.93
Current maturities of long term finance lease*	-	-	-	-	-	24.54
Current maturities towards deferred payment liabilities of leasehold land*	-	-	-	-	-	8.14
Interest accrued and due	-	3,589.57	-	1,776.08	-	829.46
Interest accrued but not due	-	279.96	-	209.97	-	199.97
Employee related payables	-	358.92	-	319.25	-	347.27
Security deposits	-	1.27	-	0.84	-	0.83
Unpaid dividend	-	1.08	-	1.46	-	1.50
Capital creditors	-	38.53	-	28.78	8.92	25.77
Retention money	-	1.00	-	9.09	-	8.69
Expenses payable	-	101.99	-	594.37	0.39	550.37
Total	-	29,729.14	-	29,127.67	9.31	22,004.83

* Refer note 14.1

Note 15 Provisions

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non current	Current	Non current	Current	Non current	Current
Provisions for employee benefits						
Provisions for gratuity (refer note 15.1 below)	43.62	2.08	74.68	2.64	72.44	2.89
Provisions for leave encashment (refer note 15.1 below)	0.65	3.48	1.24	6.66	7.26	7.76
Other Provisions						
Provisions for warranties (refer note 15.2 below)	-	261.13	115.45	461.78	661.63	534.30
Provision for Commission	-	0.37	-	0.38	-	-
Total	44.27	267.06	191.37	471.46	741.33	544.95

Note 15.1 Post employment benefits

Gratuity

The Group, excluding foreign entities, 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.

a) Net employee benefit expense recognised

Particulars	Gratuity-Unfunded	
	March 31, 2017	March 31, 2016
Current service cost	10.02	13.37
Net interest cost	5.99	6.02
Total expenses recognised in the Statement of Profit and Loss*	16.01	19.39
* excluding reversal amounting Rs. 11.26 Million (previous year Rs. Nil).		
Remeasurement actuarial (gain) / loss from changes in financial assumptions	2.16	(0.53)
Remeasurement actuarial (gain) / loss from changes in demographic assumptions	0.02	-
Remeasurement actuarial (gain) / loss on arising from Experience	(26.63)	4.58
Total amount recognised in the Other comprehensive income	(24.45)	4.05

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

Particulars	Gratuity-Unfunded Year ended March 31, 2017	Year ended March 31, 2016
Present value of obligation as at the beginning of the year	77.32	75.33
Impact of transfer of holding	(1.95)	-
Interest cost	5.99	6.02
Current service cost	9.24	12.77
Benefit paid	(20.45)	(20.85)
Actuarial (gain)/loss	(24.45)	4.05
Present value of obligation as at the end of the year	45.70	77.32
Current	2.08	2.64
Non current	43.62	74.68

c) Principal actuarial assumptions at the Balance Sheet date:

Particulars	March 31, 2017	March 31, 2016
Discounting rate*	7.35%-8.50%	8.00%-8.80%
Expected rate of increase in salary**	6.50%-8.50%	5.50%-10.00%
Expected rate of return on plan assets	8.50%	8.50%
Demographic assumptions		
i) Retirement age (Years)	58-62	58-62
ii) Mortality table	IALM (2006-08)	IALM (2006-08)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3-8	3-8
From 31 to 44 years	2-5	2-5
Above 44 years	1-2	1-2

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

**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.

Note 15. 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, 2017	As At March 31, 2016	As At April 01, 2015
Opening balance	577.22	1,195.93	5.00
Additions during the year	-	-	1,511.03
Utilised during the year	316.09	618.70	320.10
Closing balance	261.13	577.23	1,195.93

Note 16 Other liabilities

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Advances from customers* (refer note (i) below)	186.76	605.70	263.75	585.86	220.69	391.36
Income received in advance	-	528.82	-	541.01	-	436.69
Advance against sale of fixed assets held for sale	-	30.94	-	94.00	-	14.00
Statutory dues	-	26.17	-	32.26	-	39.12
Total	186.76	1,191.63	263.75	1,253.13	220.69	881.17

(i) The Group had received advances from customers, which are outstanding for more than one year and still lying in the books as on March 31, 2017. However 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.

*Includes advances from related parties (refer note 30)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Joint Venture of direct subsidiary						
Educomp Raffles Higher Education Limited	-	-	72.68	32.30	72.68	32.30
	-	-	72.68	32.30	72.68	32.30

* for terms and conditions for transaction with related party refer note 30

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Note 17 Revenue from operation*

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Sale of education products and technology equipment	583.08	1,897.32
Education and other services	1,996.41	2,734.07
Lease rent (refer note 39)	344.67	315.70
	2,924.16	4,947.09

*for related party transactions and terms and conditions thereto refer note 30.

Note 18 Other income*

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest income on		
- Fixed deposits	4.36	6.06
- Financial instruments measured at amortised cost	322.54	511.33
- Others	118.08	155.21
Profit on sale of fixed assets (Refer note 3(1))	153.07	-
Provisions no longer required written back	197.80	263.56
Profit on sale of investment**	-	92.51
Foreign exchange gain	1.24	34.22
Others	52.91	217.77
	850.00	1,280.66

*for related party transactions and terms and conditions thereto refer note 30.

**During previous year, entire stake in Wizlearn Technologies Pte Limited and its subsidiaries namely Wiz Learn Pte Limited, Pave Education Pte. Limited and Singapore Learning.com Pte. Limited has been disposed off on October 22, 2015.

Note 19 Purchase of stock-in-trade

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Technology equipment & accessories	351.44	321.59
Educational products	111.69	193.63
	463.13	515.22

Note 20 Change in inventories of work in progress and stock-in-trade

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Opening balances		
Work in progress	11.23	27.73
Stock-in-trade		
Technology equipments & accessories	763.25	714.41
Educational products	58.82	65.67
Less: transfer to FA/Repair	-	(24.87)
	833.30	782.94
Closing balances		
Work in progress	11.23	11.23
Stock-in-trade		
Technology equipments & accessories	81.37	763.25
Educational products	14.57	58.82
	107.17	833.30
Add: Adjustment pursuant to loss of control in subsidiary	11.36	-
Add: Provision for obsolescence inventory shown as an exceptional item (refer note 24)	649.21	-
	767.74	833.30
Changes in inventories of work in progress and stock-in-trade	65.56	(50.36)

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Note 21 Employee benefit expenses

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries wages and bonus	1,268.75	1,995.67
Contribution to provident and other funds*	51.06	134.15
Gratuity expenses	4.75	21.75
Employee Stock Option Plan amortisation cost (refer note 33)	13.79	35.64
Staff welfare expenses	6.91	61.79
	1,345.26	2,249.00

* Contribution to provident and other funds includes:

Defined contribution plan	Year ended March 31, 2017	Year ended March 31, 2016
Employer's contribution to provident fund (including admin charges)	43.00	131.91
Employer's contribution employee state insurance	6.77	0.71
Employer's contribution employee deposit linked insurance fund	1.23	1.53
Employer's contribution labour welfare fund	0.06	-
	51.06	134.15

Note 22 Finance cost

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest expense on		
- borrowings	3,637.11	3,907.33
- financial instruments measured at amortised cost	96.78	90.11
- delay in payment of income taxes	0.30	4.30
Other borrowing charges	16.59	7.77
	3,750.78	4,009.51

Note 23 Other expenses

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Repairs to		
- Buildings	22.55	17.62
- Machinary	6.52	21.79
- Others	344.51	238.86
Lease Rent (refer note 39)	85.37	139.00
Insurance	3.36	9.48
Rates and taxes	55.33	25.64
Legal and professional	330.98	305.84
Travelling and conveyance	129.74	185.44
Communication	55.81	48.64
Advertisement, publicity and business promotion	113.04	283.85
Freight and forwarding	45.30	46.70
Recruitment and training	11.17	17.26
Commission on Sales	-	128.91
Software Development Charges	6.26	82.00
Printing and stationery	62.19	216.51
Licences Fees & Royalty	-	73.74
Outside contract services	110.51	457.26
Bank charges	1.80	10.71
Bad debts and advances written off	101.15	181.63
Provision for doubtful debts/advances	35.46	1,571.74
Foreign exchange loss	154.79	254.60
Loss on sale of fixed assets	5.64	0.00
Miscellaneous expenses	41.65	76.98
	1,723.13	4,394.20

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Note 24 Exceptional items

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Credit balance written back (refer note 1 below)	-	(145.89)
Loss on sale of investments (net) (refer note 2 below)	-	275.00
Penalty under settelment (refer note 3 below)	407.73	-
Provision for doubtful debts (refer note 4 below)	3,123.64	-
Provision for obsolescence inventory (refer note 5 below)	649.21	-
Bad debts Written off (refer note 6 below)	82.32	342.64
Loans Advances written off (refer note 6 below)	59.87	309.42
Loan liability written back (refer note 7 below)	(250.00)	-
Profit on sale of investment (refer note 8 below)	(144.86)	-
Gain associated with loss of control of an investment (refer note 9 below)	(191.00)	
Provision for Advances (refer note 10 below)	36.78	-
Exceptional Items	3,773.69	781.17

1 During the previous year, the Holding Company has sold one of its step down subsidiary i.e. Wizlearn Technologies Pte. Ltd. In respect of the said subsidiary, the Holding Company had received Rs. 145.89 million as advance from subsidiary during earlier years. Pursuant to the sale, the Holding Company has written back amount of advance received from subsidiary and the same has been shown as an exceptional item.

2 During the previous year, the Holding Company has received an amount of Rs. 150.00 million from redemption of all its units held in India Education Fund, against total carrying value of Rs. 425.00 million. Accordingly, during the year the Holding Company has recorded a loss on redemption of units amounting Rs. 275.00 million and it has been shown as exceptional item.

3 The Holding 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 Holding 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 Holding 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 Holding Company and accordingly the Holding Company has recorded a liability of Rs. 407.73 million (USD 6 million) as "Judgment Debtors" and the same has been shown as an exceptional item.

4 The provision has been created for bad and doubtful receivables on which ESSPL had initiated legal procedings.

5 During the year ended March 31, 2017, ESSPL has evaluated its inventory through independent technical valuer and as mandated in the report, recorded a provision of Rs. 649.21 million in the books of accounts.

6 During the year certain schools to whom infrastructure facilities were provided have closed down their operations and amount outstanding as trade receivable amounting to Rs. 82.32 million (Previous year Rs. 342.64 million) and loans amounting to Rs. 59.87 million (Previous Year Rs. 309.42 million) from these schools/trust has been written off and shown as exceptional item.

7 The Holding Company has written back liability discharged by Mr. Jagdish Prakash towards one of the lenders from his own sources amounting to Rs. 250 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 Holding Company for payment of Rs. 250.00 million made to DBS Bank Limited on behalf of Educomp Solutions Limited. Accordingly, during the year the Group has recorded an income of Rs. 250.00 million and it has been shown as exceptional item in the financial results.

8 During the year ended March 31, 2017, pursuant to a negotiated settlement entered into with ICICI Bank, the Holding Company has divested its entire shareholding in Vidya Mandir Classes Limited (VMCL) (being 67% shareholding in VMCL), a subsidiary of the Holding Company and conditional sale of Educomp Learning Hour Private Limited, a step down subsidiary of the Holding Company. In accordance with the share sale agreement, the Holding 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 Holding Company and are held 'in trust'. These shall be transferred on a pro-rata basis as the consideration is received.
The said "Share Purchase Agreement" (SPA) executed on July 25, 2016 was for sale of 67% equity shares equivalent to 48,776 numbers of shares in 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	No. 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	

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As per clause 2.3 of the agreement 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 of agreement."

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 Holding 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. July 25, 2016, even though the shares mentioned in Tranche B are still in the name of Holding Company and pledged with ICICI Bank.

The intention of the parties was to sell/acquire the entire shareholding of VMC and this agreement was entered into as a deferred sale consideration agreement. Accordingly as soon as the closing of the first tranche was completed, the sale of the entire investment was recorded in the books of accounts along with the corresponding profit for the first quarter of financial year 2016-17. Appropriate disclosure were made to the stock exchanges and in the quarterly Financial Statements published after limited review of Q1 of FY 2016-17.

In line with the understanding in SPA, had the shares not been pledged with ICICI Bank the entire shareholding would have been transferred to the buyer.

The details of consideration received, net asset disposed off (including goodwill) and gain on disposal recorded in financial statement is as follows:

Particulars	As of July 22, 2016	
	Vidhya Mandir Classes Limited	
(A). Consideration Received		
Fair value of consideration received		724.43
(B). Net Assets disposed off		
Non Current Assets (including cash and cash equivalents)	294.67	
Current Assets	724.08	
Total Assets (a)	1,018.75	
Non Current Liabilities	-	
Current Liabilities	658.14	
Total Liabilities (b)	658.14	
Net Assets disposed off (a - b)	360.61	
Net Assets disposed off - over which control is lost i.e. 67%		241.61
(C). Goodwill arising from acquisition		337.96
Profit on sale of Investment (A - B - C)		144.86
(D). Net Cash Inflow on disposal		
Consideration received in cash and cash equivalent		163.39
Less: cash and cash equivalent held by the entity.		380.86
		(217.47)

9 During the Financial Year 2016-17, the Holding company stake in Little Millennium Education Private Limited (formerly known as Educomp Child Care Private Limited) has been reduced to 48.29% (refer note 35 for details of changes in share holding). As a result Little Millennium Education Private Limited is being considered as an Associate of the Holding Company w.e.f. April 22, 2016.

In accordance with para 25 of IND AS 110, retained investments in aforesaid associate has been fair valued and considered as cost on initial recognition of an associate. The difference between the fair value of the retained investment and the carrying value of investment (as per equity method) has been recognised under exceptional item.

10 Reconciliation entry by respective entity was recorded in the month of May 2017, after the financial year closed. Hence it was not eliminated in the consolidated financial statements for the year ended as at March 31, 2017.

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Note 25 Income tax expense

(a) Income tax expense

	Year ended March 31, 2017	Year ended March 31, 2016
Current tax		
Current tax on the profits of the year	11.46	50.50
Tax relating to previous years (refer (i) below)	-	(190.59)
Total Current tax expense	**11.46**	**(140.09)**
Deferred tax		
Decrease/(increase) in deferred tax assets	(0.04)	0.54
Total Deferred tax expense/(benefit)	**(0.04)**	**0.54**

(i) During the year 2014-15, block assessment of the Holding Company for assessment year 2007-08 to 2012-13 was completed by the Income Tax Authorities and additional demand of Rs. 190.91 million was raised on account of certain disallowances. The Holding Company preferred an appeal against the said demand and filed an application to the honourable ITAT, Delhi. Consequently, during the previous year the Holding Company has received favourable final order of appeal filed with ITAT during the previous year and accordingly the Holding Company has written back the excess provision of Rs. 190.91 million.

(b) Income tax expense is attributable to:

	Year ended March 31, 2017	Year ended March 31, 2016
Profit from the continuing operations	11.46	(140.09)
	11.46	**(140.09)**

(c) Movement in deferred tax balances

	As At March 31, 2016	Recognized in P&L	Recognized in OCI	Other Adjustments	As At March 31, 2017
Deferred Tax Assets					
Expenses allowable on payment basis	0.61	-	-	(0.61)	-
Carried forward losses and tax credits (MAT credit entitlement)	130.36	-	-	-	130.36
Sub- Total (a)	**130.97**	**-**	**-**	**(0.61)**	**130.36**
Deferred Tax Liabilities					
Property, plant and equipment and	0.63	(0.04)	-	-	0.59
Sub- Total (b)	**0.63**	**(0.04)**	**-**	**-**	**0.59**
Net Deferred Tax Assets (a)-(b)	**130.34**	**0.04**	**-**	**(0.61)**	**129.77**

	As at April 1, 2015	Recognized in P&L	Recognized in OCI	Other Adjustments	As At March 31, 2016
Deferred Tax Assets					
Expenses allowable on payment basis	0.52	0.09	-	-	0.61
Carried forward losses and tax credits (MAT credit entitlement)	130.36	-	-	-	130.36
Sub- Total (a)	**130.88**	**0.09**	**-**	**-**	**130.97**
Deferred Tax Liabilities					
Property, plant and equipment and intangibles	-	0.63	-	-	0.63
Sub- Total (b)	**-**	**0.63**	**-**	**-**	**0.63**
Net Deferred Tax Asset (a)-(b)	**130.88**	**(0.54)**	**-**		**130.34**

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Note 26 Fair valuation measurements

S.No.	Particulars	As at March 31, 2017			As at March 31, 2016			As at April 01, 2015		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised cost
	Financial assets									
1	Investments	-	-	-	-	-	-	425.00	-	-
2	Loans	-	-	1,175.45	-	-	1,384.75	-	-	1,673.45
3	Trade receivables	-	-	6,732.45	-	-	11,667.74	-	-	15,933.15
4	Other financial assets	-	-	1,498.59	-	-	1,457.48	-	-	965.94
5	Cash & Cash Equivalents	-	-	939.25	-	-	1,217.37	-	-	1,680.05
6	Bank balances other than cash & cash equivalents	-	-	17.13	-	-	32.11	-	-	60.72
	Total Financial Assets	-	-	10,362.87	-	-	15,759.45	425.00	-	20,313.31
	Financial Liability									
1	Borrowings (including current maturities)	-	-	35,953.59	-	-	36,701.44	-	-	39,567.45
2	Trade & Other Payables	-	-	1,555.83	-	-	1,005.31	-	-	1,149.78
3	Other financial Liabilities	-	-	4,372.32	-	-	2,939.84	-	-	1,973.17
	Total Financial Liabilities	-	-	41,881.74	-	-	40,646.59	-	-	42,690.40

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

b) The carrying amounts of trade receivables, loans and security deposits 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) Fair value of Investment in India education fund units has been considered to be equivalent to the carrying value of the asset. These units have been sold during the year 2015-16. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

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Note 27 Financial Risk Management

Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in Note 26. The main types of risks are market risk, credit risk and liquidity risk.

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

The Group 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 Group is exposed to, are described below:

1 Market risk

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

1(a) Foreign currency risk

The Group 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 Group, resulted in foreign currency financial assets and liabilities as on each reporting date.

The following table presents non-derivative instruments which are exposed to currency risk and are unhedged as at March 31, 2017, March 31, 2016 and April 01, 2015 :

	Foreign currency	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payable	US$	834.27	455.50	429.75
	Euro	0.69	0.75	0.71
	GBP	0.28	-	0.17
Trade receivable	US$	22.37	22.89	21.60
Loans payable	US$	5,387.16	5,446.07	5,082.23
Interest accrued and due	US$	868.22	620.47	326.27
Interest accrued but not due	US$	56.01	52.93	44.35

To mitigate the Group's exposure to foreign exchange risk, cash flows in foreign currencies are monitored and net cash flows are managed in accordance with Group's risk management policies. Generally, the Group'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, 2017	Year ended March 31, 2016
INR/USD	5%	6%
INR/GBP	15%	11%
INR/EURO	10%	15%
INR/CAD	6%	7%

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 Group'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 Group'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, 2016		Profit and loss		Other Components of equity	
	Movement	Strengthening	Weakening	Strengthening	Weakening
USD Senstivity	6%	69.11	(69.11)	325.30	(325.30)
GBP Senstivity	11%	-	-	-	-
EURO Senstivity	15%	0.11	(0.11)	-	-
CAD Senstivity	7%	0.39	(0.39)	-	-

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)	-	-

1(b) Price risk sensitivity

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

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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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.
The Group's policy is to minimise interest rate cash flow risk exposure on long-term financing.

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Fixed-rate borrowings (Refer note below)	6,550.76	23,733.68	24,954.89
Floating rate borrowings (Refer note below)	29,847.25	13,486.97	15,026.98
Total borrowings	**36,398.01**	**37,220.65**	**39,981.87**

Note:
1. As per the Master Restructuring Agreement(MRA), term loans covered under MRA are considered as fixed rate borrowings till March 31, 2016.
2. 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, 2016: +/- 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 respective bank lending 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, 2017		Year ended March 31, 2016	
	Favourable change of 100 bp	Unfavourable change of 100 bp	Favourable change of 100 bp	Unfavourable change of 100 bp
Loan amount	29,847.25		13,486.97	
Effect on profit and loss after tax	298.47	(298.47)	134.87	(134.87)

2 CREDIT RISK

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial assets, for example, receivable from customers, advances, security deposits, loans etc. the group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at different reporting dates.

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

In respect of trade and other receivables, the Group follows simplified approach which does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Losses at each reporting date, right from its initial recognition.
Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial asset.

The Holding Company (ESL) 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. However, the Holding Company records full credit loss on the receivables for which it has filed litigation.On that basis, the Holding Company estimates the following provision matrix at the reporting date:

	0-180 days	180-365 days	more than 360
Default rate	6.00%	9.00%	38.00%

In respect of EISML, the Company provides on closure of operations of school. EISML does not have any visibility on closure of operations of schools/trust.

For recognition of impairment loss on other financial assets and risk exposure, the Group 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 impairnment has been recorded by the Group.

Reconciliation of loss allowance provision at consolidated level - Trade receivables

Particulars	Amount
Loss allowance on 1 April 2015	(3,610.27)
Changes in loss allowance	(947.68)
Loss allowance on 31 March 2016	(4,557.95)
Changes in loss allowance	(2,745.53)
Loss allowance on 31 March 2017	(7,303.48)

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 Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(Rs. In millions unless otherwise stated)

3 Liquidity risk

Liquidity risk is the risk that the Group might not be able to meet its obligations. The Group 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.
The Group's objective is to maintain sufficient cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum.

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

	March 31, 2017			
Particulars	Upto 1 year	1 to 3 years	Above 3 years	Total
Borrowings	27,281.44	869.79	8,246.78	36,398.01
Trade payables	1,550.07	5.76	-	1,555.83
Other financial liabilities	4,372.32	-	-	4,372.32
Total	33,203.83	875.55	8,246.78	42,326.16

	March 31, 2016			
Particulars	Upto 1 year	1 to 3 years	Above 3 years	Total
Borrowings	27,325.75	2,575.45	7,319.45	37,220.65
Trade payables	999.54	5.77	-	1,005.31
Other financial liabilities	2,939.84	-	-	2,939.84
Total	31,265.13	2,581.22	7,319.45	41,165.80

	March 31, 2015			
Particulars	Upto 1 year	1 to 3 years	Above 3 years	Total
Borrowings	22,275.76	4,995.70	12,710.41	39,981.87
Trade payables	1,149.78	-	-	1,149.78
Other financial liabilities	1,964.25	-	8.92	1,973.17
Total	25,389.79	4,995.70	12,719.33	43,104.82

*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 the maturity profile of borrowings in a better manner.

The Group had access to Rs. Nil undrawn borrowing facilities at the end of the reporting period.

Note 28 Capital management

(a) Risk Management

The Group's capital management objectives are to ensure the Group'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, Group considers the robustness of future cash flows and to maintain an optimal structure to reduce the cost of capital.
The Group 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 Group. In order to maintain or adjust the capital structure, the Group may adjust the amount by issue of new shares or sell assets to reduce the debt.

	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
Net debt	35,014.34	35,484.07	37,887.40
Equity	(7,930.86)	(245.48)	4,016.79
Net Debt to equity ratio	(4.41)	(144.55)	9.43

(i) Loan covenants

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

- Without the prior approval of CDR Lenders/Monitoring Institutions the group 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 Group 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.

The Group has complied with all the above covenants throughout the reporting period. As during the FY 2016-17, no such new debt or equity instruments were issued and holding % of promoter Mr. Shantanu Prakash is same as at March 31, 2016 and March 31, 2017 i.e. 36.19%.
The promoter has given interest free loan to the Group 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 14.1(f).

(b) Dividend

The Group has not proposed any dividend for the year due to losses (March 31, 2016: Rs. 20.78 millions).

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Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
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Note 29 Segment Reporting

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

The Group 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.

In accordance with the provision of Ind AS-108, "Operating Segment" the Group has identified business segment as primary segment. As its Secondary segment, the Group has only one geographical segment based on the geographical location of its customers.

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, 2017	For the year ended March 31, 2016
HLS	-	-
SLS	128.12	160.95
K-12	22.39	161.50
OSG	3.82	165.15
Unallocated	10.06	5.10
	164.39	492.70

(iii) Segment depreciation	For the year ended March 31, 2017	For the year ended March 31, 2016
HLS	-	0.01
SLS	264.99	319.59
K-12	169.45	202.17
OSG	9.58	164.77
Unallocated	7.85	7.49
	451.87	694.03

(iv) Segment Revenue & Expenses (External)	For the year ended March 31, 2017			For the year ended March 31, 2016		
	Revenue	Expenses	Results	Revenue	Expenses	Results
HLS	104.97	6.49	98.48	19.72	9.17	10.55
SLS	1,778.80	2,547.52	(768.72)	1,972.26	4,223.35	(2,251.09)
K-12	421.01	333.17	87.84	620.19	467.33	152.86
OSG	619.38	562.29	57.09	2,334.92	2,365.26	(30.34)
	2,924.16	3,449.47	(525.31)	4,947.09	7,065.11	(2,118.02)
Less: Unallocable Expenditure			599.48			736.98
Less: Finance cost			3,750.78			4,009.51
Operating loss			(4,875.57)			(6,864.51)
Other Income			850.00			1,280.66
Loss before exceptional items, share of net loss of investments accounted for using equity method and tax			(4,025.57)			(5,583.85)
Share of loss in associates and joint venture			(5.97)			(30.26)
Loss before exceptional items and tax			(4,031.54)			(5,614.11)
Exceptional Items (refer note 24)			3,773.69			781.17
Loss before tax			(7,805.23)			(6,395.28)
Less: Tax expense						
a) Current tax			11.46			50.50
b) Current tax for earlier years			-			(190.59)
c) Deferred tax			(0.04)			0.54
Net Profit after tax			(7,816.65)			(6,255.73)

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(v) 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, 2017	As At March 31, 2016	As At April 01, 2015
Segment assets			
HLS	947.58	952.27	685.08
SLS	5,784.50	11,368.32	9,749.10
K-12	24,501.21	25,908.33	26,558.54
OSG	1,797.74	2,381.72	9,021.17
Total Segment assets	**33,031.03**	**40,610.64**	**46,013.89**
Unallocated corporate assets	1,762.91	1,308.75	1,964.80
Investments	846.66	661.43	1,116.64
Total assets as per the balance sheet	**35,640.60**	**42,580.82**	**49,095.33**

(vi) 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, 2017	As At March 31, 2016	As At April 01, 2015
HLS	0.13	106.05	105.71
SLS	2,212.19	2,065.83	2,907.25
K-12	354.41	494.26	159.96
OSG	1,044.04	1,553.11	1,167.27
Total Segment liabilities	**3,610.77**	**4,219.25**	**4,340.19**
Unallocated corporate liabilities	4,007.10	1,905.61	1,170.90
Current Borrowings	1,348.12	1,083.72	2,107.01
Non-Current Borrowings	34,605.47	35,617.72	37,460.44
Total liabilities as per the balance sheet	**43,571.46**	**42,826.30**	**45,078.54**

(b) Geographical Segments

Revenue	For year ended March 31, 2017	For year ended March 31, 2016
India	2,857.08	3,548.49
Outside India	67.08	1,398.60
	2,924.16	**4,947.09**

Capital Expenditure	For year ended March 31, 2017	For year ended March 31, 2016
India	164.39	368.62
Outside India	-	124.08
	164.39	**492.70**

Non-current Assets*	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
India	23,873.39	24,563.37	25,391.83
Outside India	918.84	921.84	1,229.90
	24,792.23	**25,485.21**	**26,621.73**

*Non-current assets are excluding financial instruments and deferred tax assets.

Note: For the year ended March 31, 2017 and March 31, 2016, there is no major customer with respect to consolidated revenue of the Group.

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Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(Rs. In millions unless otherwise stated)

Note 30 Related party transactions

(a) List of related parties and relationships:

Associates

S. No. Name of Related Party

1 Greycells18 Media Limited

2 Little Millennium Education Private Limited (formerly Educomp Child Care 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, Chairman and Director

2 Mr. V. K. Dandona, Whole Time Director

3 Mr. Jagdish Prakash, Relative of Mr. Shantanu Prakash (KMP)

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

S. No. Name of Related Party

1 DSK Legal (till March 28, 2017)

2 Healthsetgo Services Private Limited

3 Millennium InfraDevelopers Limited

4 Shiksha Solution Trustee Pvt. Ltd.

5 A P Eduvision Private Limited

(b) Transactions with related parties:

Particulars	Associate	Joint Venture of Subsidiary	KMP	Others	Total
Revenues (note 1)	-	104.97	-	-	104.97
	(-)	(-)	(-)	(-)	-
Other Income (note 2)	-	-	-	1.07	1.07
	(-)	(-)	(-)	(-)	(-)
Expenses paid for services (note 3)	-	-	2.70	9.05	11.75
	(-)	(-)	(2.25)	(6.49)	(8.74)
Loans & advance received (note 4)	-	-	30.00	-	30.00
	(-)	(-)	(230.00)	(-)	(230.00)
Remuneration (note 5)					
- Paid	-	-	-	-	-
	(-)	(-)	(0.45)	(-)	(0.45)
- Reverse	-	-	-	-	-
	(-)	(-)	(6.00)	(-)	(6.00)
Rent paid (note 6)	-	-	-	-	-
	(-)	(-)	(0.83)	(-)	(0.83)
Expenses paid by (note 7)	-	-	-	-	-
	(0.06)	(-)	(-)	(-)	(0.06)
Notional interest expense on the amortised valued borrowings (note 8)	-	-	23.01	-	23.01
	(-)	(-)	(15.90)	(-)	(15.90)

* All transactions with related parties have been entered into in the normal course of business. Previous year figures are given in parenthesis.

** The remuneration to the key management personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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(Rs. In millions unless otherwise stated)

(c) Disclosure of transactions with related parties :

Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
1. Includes sales and services to:		
Joint Venture of direct subsidiary		
Educomp Raffles Higher Education Limited	104.97	-
2. Includes other income from:		
Others		
Healthsetgo Services Private Limited	1.07	-
3. Expenses paid for services:		
Key Managerial Person		
Mr. V. K. Dandona	2.70	2.25
Others		
DSK Legal	9.05	6.49
4. Loan and advances received :		
Key Managerial Person		
Mr. Shantanu Prakash	30.00	230.00
5. Remuneration includes transaction for the year mainly with :		
-Paid during the year		
Key Managerial Person		
Mr. V. K. Dandona	-	0.45
-Reversed during the year:		
Relatives of Key Managerial Person		
Mr. Jagdish Prakash	-	6.00
6. Includes rent paid to :		
Key Managerial Person		
Mr. Shantanu Prakash	-	0.83
7. Includes expenses paid by:		
Associate		
Little Millennium Education Private Limited	-	0.06
8. Notional interest expense on the amortised valued borrowings:		
Key Managerial Person		
Mr. Shantanu Prakash	23.01	15.90

(d) Balances with related parties:

Particulars	Associates	Joint Venture of Subsidiary	Key Managerial Personnel	Others	Total
Investment (Refer Note 6.1)	273.86	572.80	-	-	846.66
as at March 31, 2016	88.63	572.80	-	-	661.43
as at April 1, 2015	104.54	587.10	-	-	691.64
Trade receivable	0.26	0.02	-	1.23	1.51
as at March 31, 2016	-	0.02	-	-	0.02
as at April 1, 2015	-	0.02	-	-	0.02
Trade and other payables	-	-	0.20	1.51	1.71
as at March 31, 2016	-	-	0.20	0.24	0.44
as at April 1, 2015	-	-	0.29	-	0.29
Advance received from customers	-	-	-	-	-
as at March 31, 2016	-	104.98	-	-	104.98
as at April 1, 2015	-	104.98	-	-	104.98
Unsecured Loan (including debt and equity portion of compounded financial instruments).	-	-	663.07	-	663.07
as at March 31, 2016	-	-	610.07	-	610.07
as at April 1, 2015	-	-	364.16	-	364.16

(e) Corporate Guarantee

Aggregate of loan amount guaranteed by promoter Mr. Shantanu Prakash and Mr. Jagdish Prakash Rs. 27,095.89 million (March 31, 2016 Rs. 28,006.89 million and April 01, 2015 Rs. 30,747.56 million).

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

(iii) Hitherto, certain trusts were disclosed as related parties based on the applicable provisions of AS 18 by the Group. The current Consolidated Financial Statements are being prepared under IND AS for the first time. IND AS 24, deals with the disclosure for related parties transactions. The Holding Company obtained expert view on requirements of the disclosures under IND AS 24 and concluded that the directors of the Holding 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 in respect of Group. One of the directors of the company who is also hold position of trustees in these trusts doesn't have any powers to influence or exercise any control over the operation of trusts and the entire powers vest with board of trustees. Similarly auditors of subsidiaries having transactions with these trusts have clearly mentioned their stand in their respective financials.

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(Rs. In millions unless otherwise stated)

Note 31 Contingent Liabilities and Contingent Assets

a). The below mentioned details is based on the status provided by the Holding Company till the date of approval of insolvency under the Insolvency Code i.e. May 30, 2017. Consequently, NCLT 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 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.

On similar lines, the details given below in respect of other subsidiaries in CIRP is based on the status till the date of approval of insolvency under the Insolvency Code. Refer Note 1(C) for further details.

b). The Group has contingent Liabilities at March 31, 2017 in respect of:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
i. Claims against the group not acknowledged as debt	102.45	102.45	102.45
ii. Other money for which the company is contingently liable			
(a-i) Taxes under adjudication/appeal (refer note 1 below)	-	25.46	25.46
iii. The Holding Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business the Holding Company estimates contigent liability in relation to these Legal cases as under:			
- Civil Cases :	86.81	-	-
- Consumer/labour related cases :	98.58	-	-
- Arbitration :	14.69	-	-

1. Taxes under adjudication/appeal represents Nil (March 31, 2016 Rs.25.46 million April 01, 2015 Rs. 25.46 million) under appeal under service tax. The Holding Company has paid Nil (March 31, 2016: Rs. 16.98 million, April 01, 2015: Rs. 16.98 million) under protest against demands raised by tax authorities.

c). Certain vendors had filled legal action against EISML towards claim for their services provided in relation to land aggregation and these claims were adjudicated against EISML. The management is in the process of contesting these arbitration awards, hence no further provision have been recorded.

Note 32 Commitments

Capital commitments

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	-	895.48	941.53
b. Uncalled liability on partly paid shares (net of advance)	400.41	400.41	400.41
c. Commitment for advertisement contract	-	492.97	494.32
d. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) in respect of joint venture to the extent of Group's share*	-	-	1.63
Total	400.41	1,788.86	1,837.89

* The Consolidated financial results of Educomp Raffles Higher Education Limited susbsequent to june 30, 2015 are not available with the Holding Company.

Note 33 Share based payment

i) Educomp Solutions Limited

The Holding Company has seven stock option schemes which provide equity shares to employees and directors (excluding promoter director) of the Holding Company. All the cost including the cost relating to the options granted to employees of subsidiary companies are borne by the Holding 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 Holding 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 Holding Company had introduced "Educomp Employees Stock Option Scheme 2006" which provides for the issue of 3,125,000 equity shares to employees of the Holding 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, 2017 the Holding Company had 739000 (March 31, 2016: 1,050,000 and April 01, 2015: 1,053,562) number of shares outstanding for issue under the scheme.

Employee Stock Option Scheme 2007

Pursuant to shareholder's resolution dated September 13, 2007, the Holding Company had introduced "Educomp Employees Stock Option Scheme 2007" which provides for the issue of 1,000,000 equity shares to employees of the Holding 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, 2017 the Holding Company had 551,500 (March 31, 2016: 805,550 and April 01, 2015: 905,550) number of shares outstanding for issue under the scheme.

Employee Stock Option Scheme 2008

Pursuant to shareholder's resolution dated November 25, 2008, the Holding Company had introduced "Educomp Employees Stock Option Scheme 2008" which provides for the issue of 1,250,000 equity shares to employees of the Holding 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, 2017 the Holding Company had 596,600 (March 31, 2016: 1,082,800 and April 01, 2015: 1,209,800) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2010

Pursuant to shareholder's resolution dated 18 March 2010, the Holding 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, 2017 the Holding Company had 223,750 (March 31, 2016: 988,125 and April 01, 2015: 998,125) 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, 2017 the Company had 335,000 (March 31, 2016: 745,000 and April 01, 2015: 995,000) 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, 2017 the Company had 1,861,625 (March 31, 2016: 3,371,625 and April 01, 2015: 3,496,625) 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, 2017 the Company had 3,973,450 (March 31, 2016: 4,898,650 and April 01, 2015: 4,968,650) number of shares outstanding for issue under the scheme.

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(Rs. In millions unless otherwise stated)

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

(i) Educomp Solutions Limited

Particulars	As at March 31, 2017		As at March 31, 2016	
	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	1,050,000	36.06	1,053,562	43.20
Granted	-	-	662,000	13.50
Exercised	-	-	-	-
Forfeited/expired during the year	311,000	89.54	665,562	24.92
Outstanding at the end of year	**739,000**	**13.55**	**1,050,000**	**36.06**
Weighted average remaining contractual life (in years)	2.33 yrs		3.45 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	805,550	37.06	905,550	35.74
Granted	-	-	68,000	13.50
Exercised	-	-	-	-
Forfeited/expired during the year	254,050	46.26	168,000	20.40
Outstanding at the end of year	**551,500**	**32.82**	**805,550**	**37.06**
Weighted average remaining contractual life (in years)	2.60 yrs		3.69 yrs	
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	1,082,800	110.46	1,209,800	111.77
Granted	-	-	240,000	13.50
Exercised	-	-		-
Forfeited/expired during the year	486,200	29.87	367,000	51.37
Outstanding at the end of year	**596,600**	**176.13**	**1,082,800**	**110.46**
Weighted average grant date fair value per option for options granted	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	3.31 yrs		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	988,125	67.03	998,125	75.44
Granted	-	-	280,000	13.49
Exercised	-	-	-	-
Forfeited/expired during the year	764,375	66.02	290,000	44.28
Outstanding at the end of year	**223,750**	**70.50**	**988,125**	**67.03**
Weighted average grant date fair value per option for options granted	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	1.97 yrs		3.46 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	745,000	22.46	995,000	21.95
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	410,000	21.87	250,000	20.45
Outstanding at the end of year	**335,000**	23.18	**745,000**	22.46
Weighted average grant date fair value per option for options granted	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	2.51 yrs		3.52 yrs	
Payment received against share allotted during the year	Nil		Nil	

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Particulars	As at March 31, 2017		As at March 31, 2016	
	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	3,371,625	29.77	3,496,625	32.37
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	1,510,000	19.75	125,000	102.51
Outstanding at the end of year	**1,861,625**	37.89	**3,371,625**	29.77
Weighted average grant date fair value per option for options granted	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	1.80 yrs		3.18 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	4,898,650	14.86	4,968,650	14.86
Granted	-	-	130,000	13.50
Exercised	-	-	-	-
Forfeited/expired during the year	925,200	14.00	200,000	14.00
Outstanding at the end of year	**3,973,450**	15.06	**4,898,650**	14.86
Weighted average grant date fair value per option for options granted	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	2.20 yrs		3.16 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, 2017	Share options March 31, 2016	Share options April 01, 2015
01-Apr-07	30-Mar-14	25.00	-	-	455,562
23-Nov-07	21-Nov-14	204.60	-	19,000	19,000
01-Apr-08	31-Mar-15	204.60	-	3,800	3,800
04-Sep-08	03-Sep-15	763.00	-	6,000	6,000
14-Apr-09	12-Apr-16	408.80	6,600	6,600	31,600
15-Jun-09	13-Jun-16	609.88	75,000	83,200	83,200
22-Sep-09	20-Sep-16	810.25	7,500	7,500	7,500
30-Oct-09	28-Oct-16	560.00	-	25,000	25,000
01-Jun-10	30-May-17	623.10	75,000	75,000	75,000
02-Jun-10	01-Jun-15	482.50	-	50,000	50,000
02-Jun-10	31-May-17	482.50	-	15,000	25,000
03-Jun-10	01-Jun-17	535.00	23,750	23,750	23,750
15-Sep-10	13-Sep-17	568.30	-	10,000	10,000
27-Jul-12	26-Jul-19	154.35	193,625	228,625	303,625
13-Aug-13	11-Aug-20	19.10	60,000	410,000	410,000
22-Nov-13	21-Nov-16	23.15	700,000	700,000	700,000
27-Dec-13	26-Dec-16	24.75	300,000	300,000	300,000
27-Dec-13	26-Dec-18	24.75	288,000	902,375	1,252,375
31-Mar-14	30-Mar-19	24.75	500,000	768,000	1,400,000
09-Apr-14	08-Apr-19	33.10	550,000	950,000	1,100,000
17-Oct-14	16-Oct-19	28.00	-	291,250	291,250
13-Feb-15	12-Feb-20	23.50	450,000	450,000	450,000
20-Mar-15	19-Mar-18	14.00	4,051,450	6,236,650	6,604,650
28-May-15	26-May-20	13.45	-	80,000	-
13-Aug-15	12-Aug-18	13.50	1,000,000	1,300,000	-
Total			8,280,925	12,941,750	13,627,312

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, 2017 however, the Company has granted employee stock options during the previous year at two different grant dates. The model inputs used for fair valution of the options granted includes:

(Rs. In millions unless otherwise stated)

(i) Grant date - May 28, 2015

Weighted average of fair value of the options granted as at grant date - 4.62

Particulars	Vesting periods				
	I	II	III	IV	V
Vesting propotion	20%	20%	20%	20%	20%
Share price at grant date	13.45	13.45	13.45	13.45	13.45
Exercise price	13.45	13.45	13.45	13.45	13.45
Expected price volatility of the Company's shares	50.00%	50.00%	50.00%	50.00%	50.00%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	7.61%	7.62%	7.65%	7.69%	7.72%
Fair value of the options granted	3.08	4.07	4.79	5.35	5.81

(ii) Grant date - August 13, 2015

Weighted average of fair value of the options granted as at grant date - 3.98

Particulars	Vesting periods		
	I	II	III
Vesting proportion	33.33%	33.33%	33.34%
Share price at grant date	13.50	13.50	13.50
Exercise price	13.50	13.50	13.50
Expected price volatility of the Company's shares	50.00%	50.00%	50.00%
Expected dividend yield	0.00%	0.00%	0.00%
Risk free interest rate	7.42%	7.57%	7.67%
Fair value of the options granted	3.08	4.08	4.79

(c) Expense arising from share-based payment transactions *

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

	March 31, 2017	March 31, 2016
Employee share-based payment expense	13.79	35.64

* refer note 34 A1.2 for details of exemption taken under Ind AS 101

(ii) Educomp Infrastructure & School Management Limited (EISML) :

Pursuant to shareholder's resolution dated March 13, 2010, EISML introduced "Employee Stock Option Plan 2010 (EISML ESOP -2010)" which provided for the issue of 200,000 stock options to employees of EISML, holding Company and subsidiaries companies. The option vesting period shall not be more than 10 years from date of grant of options at an exercise price approved by the compensation committee. 200,000 equity shares had been increased to 1,400,000 stock options by special resolution passed on June 15, 2010. During the year, Nil (Previous year Nil) stock options have been forfeited due to resignation of employees. The exercise price of all the options is Rs 686 per share.

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 2010				
No. of shares under option				
Outstanding at the beginning of the year	36,450	686	36,450	686
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	36,450	686	-	686
Outstanding at the end of year	-	-	36,450	686
Exercisable at the end of the year	-	-	36,450	686
Weighted average grant date fair value per option for options granted	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	Nil		0.69 yrs	
Payment received against share allotted during the year	Nil		Nil	

Exercise price of all the Employee stock options is higher than the fair value of equity shares of EISML. Accordingly, EISML has not recognized ESOP cost during the year. Accumulated ESOP cost amortized till date is Nil (Previous Year Nil).

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(iii) Educomp Online Supplemental Service Limited (EOSSL) :

Pursuant to shareholder resolution dated November 21, 2011, EOSSL introduced "EOSSL Employees Stock Option Scheme 2011" which provides for the issue of 350,000 equity shares to employees of EOSSL and its holding/ subsidiaries. The maximum option vesting period is not more than ten Years from the date of award of option to employees at an exercise price approved by the compensation committee. Till date 49,350 stock options have been granted.

All the above options are planned to be settled in equity at the time of exercise and have maximum period of 10 years from the date of respective grants.

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 2011				
No. of shares under option				
Outstanding at the beginning of the year	49,350	230	49,350	230
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	-	-	-	-
Outstanding at the end of year	**49,350**	230	**49,350**	230
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	1.14 yrs		2.14 yrs	
Payment received against share allotted during the year	Nil		Nil	

(iv) Learning Internet Inc (L.com) :

L.com has an Incentive Stock Option Plan (the "Plan"), which provides for the grant of options to purchase stocks of L.com common stock to employees, directors and consultants within the meaning of Section 422 of the Internal Revenue Code. The Plan also provides for the direct award of non-statutory stock options and warrants (collectively "non-statutory options") to purchase stocks of the Company's common stock or direct grant of stocks of common stock.

The Company's Board of Directors determines participation in the Plan. The options generally are exercisable pursuant to any vesting requirements imposed by the Board of Directors upon the grant of the options; however, the term of an option granted under the Plan cannot exceed ten years and may be further limited by the specific restrictions as detailed in the individual option agreement between the Company and participant. In addition, the Board of Directors may, at its sole discretion, subsequently modify the vesting requirements.

As of March 31, 2016, the Company has reserved a total of 4,150,000 stocks of its common stock for issuance under the Plan. The information concerning stock options granted, exercised, forfeited and outstanding at the year end is as follows:

Particulars	As at March 31, 2016	
	No. of stock options	Weighted average price (Rs.)
No. of shares under option		
Outstanding at the beginning of the year	1,073,500	43.32
Granted	140,000	23.57
Exercised	1,000	16.37
Forfeited/expired during the year	136,500	34.04
Outstanding at the end of year	1,076,000	39.28
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	8.4 yrs	
Payment received against share allotted during the year	Nil	

Note: The standalone financial statement as at March 31, 2017, of Learning Internet Inc. USA (L.Com) are not available with the Management/RP of the Holding Company. (Refer note 55)

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(v) Edumatics Corporation Inc (Edumatics) :

The Company has an Incentive Stock Option Plan (the "Plan"), which provides for the grant of options to purchase stocks of the Company's common stock to employees, directors and consultants within the meaning of Section 422 of the Internal Revenue Code. The Plan also provides for the direct award of non-statutory stock options and warrants (collectively "non-statutory options") to purchase stocks of the Company's common stock or direct grant of stocks of common stock.

As of March 31, 2016, the Company has reserved a total of 357,143 stocks of its common stock for issuance under the plan which were granted as on April 01, 2008 to two directors of the company.

The Company's Board of Directors determines participation in the Plan. The options generally are exercisable pursuant to any vesting requirements imposed by the Board of Directors upon the grant of the options; however, the term of an option granted under the Plan cannot exceed ten years and may be further limited by the specific restrictions as detailed in the individual option agreement between the Company and participant. In addition, the Board of Directors may, at its sole discretion, subsequently modify the vesting requirements.

The following tables summarize information about options issued, outstanding and exercisable under the Plan as of March 31, 2016:

Particulars	As at March 31, 2017		As at March 31, 2016	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 2011				
No. of shares under option				
Outstanding at the beginning of the year	357,143	0.65	357,143	0.61
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	-	-	-	-
Outstanding at the end of year	357,143	0.66	357,143	0.65
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	2.0 yrs		3.0 yrs	
Payment received against share allotted during the year	Nil		Nil	

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Note 34 First-time adoption of Ind AS

These are the first Consolidated financial statements prepared in accordance with Ind AS by the Group.

The accounting policies set out in Note 2 have been applied in preparing Consolidated financial statements for the year ended March 31, 2017, the comparative information presented in these Consolidated financial statements for the year ended March 31, 2016 and in preparation of an opening Ind AS Consolidated balance sheet at April 01, 2015 (the transition date). In preparing its opening Ind AS balance sheet , the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006(as amended) and other relevant provisions of the act (previous GAAP or Indian GAAP).

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

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. 1 Ind AS optional exemptions

A1.1 Deemed cost

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

A1.2 Share-based payment transactions

A first-time adopter has the option to apply Ind AS 102, Share-based payment to equity instruments that vested before date of transition to Ind AS.
The Group has availed this exemption and has applied Ind AS 102 only to the options which are outstanding at the transition date.

A.1.3 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Group has elected to apply this exemption for such contracts/arrangements.

A.1.4 Long term foreign currency monetary items

As per Ind AS 101, a first-time adopter may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period (i.e. foreign currency monetary items recognised before or on March 31, 2016) as per the previous GAAP.

Accordingly the Group for the purpose of Foreign currency convertible bonds and External commercial borrowings has elected to continue with its Indian GAAP policy of capitalizing the foreign exchange difference to foreign currency monetary item translation difference account and amortising it over the period of the borrowings.

A.1.5 Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to transition date.

The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Group has applied same exemption for investment in Joint Venture/Associates.

A.1.6 Cumulative Translation Differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. The group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

A.1.7 Joint Venture - Transition from Proportionate Consolidation to the Equity Method.

As per Ind AS 101, when changing from proportionate consolidation method to equity method, an entity may measure its investment in a joint venture at date of transition as an aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any Goodwill arising from acquisition.

The resultant amount is regarded as the deemed cost of the investment in a joint venture at initial recognition.

The Group has opted to avail this exemption.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

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

There is no such estimate which is changed while applying Ind AS. All the estimates as per previous GAAP is carried forward as in Ind AS transition balance sheet as at April 01, 2015.

Further, The Group has made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Impairment of financial assets based on expected credit loss model.

A.2.2 Derecognition of Financial Assets and Liabilities

As per Ind AS 101, an entity should apply derecognition requirement in IND AS 109, "Financial Instruments, prospectively for transaction accruing on or after the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.4 Non Controlling Interests

As the Group has taken exemption to apply IND AS 103 prospectively, following requirements of IND AS 110 are also required to be followed prospectively from the date of transition. Consequently, the Group has applied the above requirement prospectively:

(i) Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance.

(ii) Ind AS 110 requires any changes in the parent's ownership interest in a subsidiary, that do not result in a loss of control, to be considered as equity transaction (transaction with owners in their capacity as owners) and to be accounted for accordingly.

(iii) Ind AS 110 requires accounting for loss of control of a subsidiary is to be done in accordance with requirements given in paragraphs B97-B99.

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(Rs. in millions unless otherwise stated)

B. Reconciliations between previous GAAP and Ind AS

The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) Reconciliation of Total equity as at March 31, 2016 and April 1, 2015

		March 31, 2016	April 1, 2015
Total equity (shareholder's funds) as per previous GAAP		2,760.58	5,777.17
Adjustments			
Borrowings-transaction cost adjustment	C.1	(6.76)	(10.21)
Foreign currency convertible bond compounded financial instruments accounting	C.2	22.65	36.39
Fair valuation of long term debtors	C.3	(231.58)	(642.54)
Promoters loan- preferential interest rate adjustment	C.4	427.27	270.97
Lease adjustment in respect of Appendix C to Ind AS 17	C.6	50.94	90.37
Prior period items settled off from the original period to which they belong	C.8	(17.73)	(132.66)
Prepaid expenses		78.92	78.92
Fair valuation of security deposits	C.9	(90.86)	(97.85)
Reversal of Amortisation of Goodwill - Business Purchase	C.10	6.36	-
Effect of investment in Joint venture accounted for using equity method	C.11	32.86	37.21
Impact of consolidation of subsidiary under Ind AS	C.12	2,124.18	3,668.72
Non Controlling Interests	C.13	53.32	-
Other adjustments		(43.08)	(11.71)
Total -Adjustments		2,406.49	3,287.61
		5,167.08	9,064.78

(ii) Reconciliation of Non Controlling Interest as at March 31, 2016 and April 1, 2015

		March 31, 2016	April 1, 2015
Non Controlling Interest as per Previous GAAP		1,943.14	1,892.57
Impact of consolidation of subsidiary under Ind AS	C.13	7,355.70	6,940.56
Non Controlling Interest as per Ind AS		(5,412.56)	(5,047.99)

(iii) Reconciliation of total comprehensive income for the year ended 31 March 2016

		March 31, 2016
Profit after tax as per previous GAAP		(4,700.35)
Adjustments		
Borrowings-transaction cost adjustment	C.1	2.88
Foreign currency convertible bond comounded financial instruments accounting	C.2	(64.48)
Fair valuation of long term debtors	C.3	410.96
Promoters loan- preferntial interest rate adjustment	C.4	(15.90)
Employee stock option expense recognised based upon fair valuation	C.5	(34.85)
Lease adjustment in respect of Appendix C to IND AS 17	C.6	(42.10)
Remeasurement of post employment benefit obligation- transffered to other comprehensiv	C.7	(0.23)
Prior period items settled off from the orignal period to which they belong	C.8	121.45
Fair valuation of security deposits	C.9	6.67
Reversal of Amortisation of Goodwill - Business Purchase	C.10	12.66
Effect of investment in Joint venture accounted for using equity method	C.11	(4.30)
Impact of consolidation of subsidiary under Ind AS	C.12	(1,942.35)
Other Adjustments - EISML		(5.79)
Total Adjustment		(1,555.38)
Profit after tax as per Ind AS		(6,255.73)
Other comprehensive income	C.14	(179.36)
Total comprehensive income as per Ind AS		(6,435.09)

(iv) Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended 31 March 2016

	As per Previous GAAP	Adjustments	As per Ind AS
Net cash flow from operating activities	2,054.92	764.29	2,819.21
Net cash flow from investing activities	991.22	(110.98)	880.24
Net cash flow from financing activities	(3,609.53)	546.53	(3,063.00)
Net increase/(decrease) in cash and cash equivalents	**(563.39)**	**1,199.84**	**636.45**
Cash and cash equivalents as at 1 April 2015	1,569.76	(1,974.71)	(404.95)
Effects of exchange rate changes	27.69	(1.33)	26.36
Cash and cash equivalents as at 31 March 2016	1,034.06	(776.20)	257.86

(v) Analysis of changes in cash and cash equivalents for the purposes of statement of cash flows under Ind AS:

		March 31, 2016	April 1, 2015
Cash and cash equivalents as per previous GAAP		1,034.06	1,569.76
Bank overdrafts		(959.51)	(2,085.01)
Effect of investment in Joint venture accounted for using equity method	C.11	(2.07)	(1.87)
Impact of consolidation of subsidiary under Ind AS	C.12	185.38	112.17
Cash and cash equivalents for the purpose of statement of cash flows		257.86	(404.95)

C. Notes to first-time adoption:

Note C.1 Borrowings-transaction cost adjustment

Ind AS requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

Note C.2 Foreign currency convertible bond compounded financial instruments accounting

Based upon Ind AS 32 and Ind AS 109 it is evaluated that these convertible bonds contain the features of compounded financial instruments. Therefore the debt and equity portion has been bifurcated, the unavoidable cashflows has been classified as debt and is valued at amortised cost, the balance portion has been classified as equity as the conversion terms meet the criteria of "fixed O' fix" and has been valued at cost only.

Note C.3 Fair valuation of long term debtors

Based upon Ind AS 109, financial assets in the form of trade receivable having deferred payment terms have been valued at amortised cost accordingly reducing the value of trade receivable and increasing the notional interest income.

Note C.4 Promoters loan- preferential interest rate adjustment

Based upon Ind AS 32 and Ind AS 109, Promoters' loan has been considered to be a compounded financial instrument and the financial liability portion of the same have been accounted for at amortised cost , accordingly there is a decrease of outstanding borrowings and increase in notional interest due to the reason that promoter has facilitated this loan at interest free rate. The balance portion of loan has been considered as equity due to the interest of the promoters in the Holding Company.

Note C.5 Employee stock option expense recognised based upon fair valuation

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method corresponding provision is recorded for employee stock option bifurcated into current and non current. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date at each reporting date.

Note C.6 Lease adjustment in respect of Appendix C to Ind AS 17

Under Ind AS any arrangement (even if not legally structured as lease) which conveys a right to use an asset in return for a payment or series of payments are identified as leases provided certain conditions are met.
The Company has entered into an arrangement under "Smart classes" program where the Company transfers the ownership of the fixed assets to the schools after completion of tenure of services that are rendered under the same arrangement. The same are classified as lease under Ind AS 17.

Note C.7 Remeasurement of post employment benefit obligation- transferred to other

Under the previous GAAP, remeasurements i.e acturial gains and losses on the net defined liability were forming part of the profit or loss for the year. Under Ind AS, actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. There is no impact on the Total Other Comprehensive Income as at March 31, 2017.

Note C.8 Prior period items settled off from the original period to which they belong

Based upon Ind AS 101 prior period errors has been affected from the original period to which they belong, accordingly prior period errors has been adjusted from the opening retained earnings as at April 1, 2015 or total comprehensive income for the year ending March 31, 2016, as applicable.

Note C.9 Fair Valuation of Security Deposits

Under previous GAAP, interest free security deposits (that are refundable in cash on completion of the term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly the Group has fair valued these security deposits.

Note C.10 Reversal of Amortisation of Goodwill - Business Purchase

Under previous GAAP, the goodwill has been amortised over a period of ten years. Under Ind AS 103 read with Ind AS 36, the goodwill is not amortised but tested for impairment on annual basis.

Note C.11 Effect of investment in Joint venture accounted for using equity method

Under previous GAAP, Educomp Raffles Higher Education Limited were classified as Jointly Controlled Entity and accordingly accounted for using proportionate consolidation method. On transition to Ind AS, Educomp Raffles Higher Education Limited has been classified as a joint venture and has been consolidated using Equity Method as per Ind AS 28. Based on optional exemption exercised by the Group (See the Note A.1.7) the investment in Educomp Raffles Higher Education Limited has been measured at the carrying amounts of Educomp Raffles Higher Education Limited's net assets at the date of transition in consolidated financials statement as per proportionate consolidation method including Goodwill.

Note C.12 Impact of consolidation of subsidiary under Ind AS

The group holds 0% interest in voting power of Educomp Smart Services Private Limited. Under Indian GAAP, the Group has not treated Educomp Smart Services Private Limited as its Subsidiary and thereby not considered for consolidation. Under Ind AS, since group controls Edu Smart Services Private Limited via potential voting rights under provisions of Ind AS 110 and the same has been considered for consolidation. Accordingly assets, liabilities, income and expense of Edu Smart Services Private Limited has been consolidated on line by line basis.

The measurement of non-controlling interest and deferred tax follows from the measurement of other assets and liabilities.

Note C.13 Non Controlling Interests

The following requirements of Ind AS 110 are applied prospectively from the date of transition to Ind AS (provided that Ind AS 103 is not applied retrospectively to past business combinations):

- To attribute total comprehensive income to non-controlling interests irrespective of whether this results in a deficit balance
- To treat changes in a parents ownership interest as equity transactions
- To apply Ind AS 110 to loss of control of a subsidiary

Note C.14 Statement of Other Comprehensive Income

Under Ind AS, all item of income and expense recognised in the period should be included in a profit & loss for the period, unless the standard requires or permit otherwise. Items of income and expense that are not recognised in profit & loss but are shown in a statement of profit & loss as other comprehensive income includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations The Concept of Other Comprehensive Income did not exist under previous GAAP.

(Rs. In millions unless otherwise stated)

Note 35 (A) Particulars of Subsidiaries, Joint Venture and Associate considered in the Consolidated Financial Statements are:

Particulars	Principal Place of business	Extent of Control			Non Controlling Interest			Principal Activities
Subsidiaries		As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	
Directly held								
Edumatics Corporation Inc.	USA	100.00%	100.00%	100.00%	Nil	Nil	Nil	Developing and Marketing e-learning products
Wheitstone Productions Private Limited	India	51.00%	51.00%	51.00%	49.00%	49.00%	49.00%	Providing Internet based educational services and coaching
Educomp Learning Private Limited (ELPL)	India	51.00%	51.00%	51.00%	49.00%	49.00%	49.00%	Sale/development of Educational Contents
Educomp Infrastructure & School Management Limited (EISML)	India	83.61%	83.61%	83.61%	16.39%	16.39%	16.39%	Refer Note 1
Educomp School Management Limited (ESML)	India	68.35%	68.35%	68.35%	31.65%	31.65%	31.65%	Licensing of Copyright Content, Intellectual
Educomp Professional Education Limited (EPEL)	India	100.00%	100.00%	100.00%	Nil	Nil	Nil	Vocational, higher education and professional
Educomp Asia Pacific Pte Limited. (EAPL)	Singapore	100.00%	100.00%	100.00%	Nil	Nil	Nil	Providing Internet based educational services and coaching
Savvica Inc.	Canada	79.55%	79.55%	79.55%	20.45%	20.45%	20.45%	Providing Internet based educational services and coaching
Little Millennium Education Private Limited (Refer Note a)	India	Nil	60.66%	63.53%	Nil	39.34%	36.47%	Sale and supply of educational products and rendering of educational services comprising of Pre-School.

(Rs. In millions unless otherwise stated)

Particulars	Principal	Extent of Control			Non Controlling Interest			Principal Activities
Subsidiaries	Place of business	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	
Educomp Intelliprop Ventures Pte Ltd. (EIVPL)	Singapore	100.00%	100.00%	100.00%	Nil	Nil	Nil	Providing Internet based educational services and coaching
Educomp Online Supplemental Service Limited (EOSSL) (Refer note b)	India	95.15%	91.30%	91.64%	4.85%	8.70%	8.36%	Refer Note 2
Vidya Mandir Classes Limited (VMC)(Refer note c)	India	Nil	67.00%	67.00%	Nil	33.00%	33.00%	Providing Internet based educational services and coaching
Educomp Investment Management Limited (EIML)	India	100.00%	100.00%	100.00%	Nil	Nil	Nil	Provision of Investment Consultancy Services to Venture Capital Funds in the Education Sector.
Educomp Global Holding WLL	Bahrain	100.00%	100.00%	100.00%	Nil	Nil	Nil	Providing Internet based educational services and coaching
Educomp Global FZE	UAE	100.00%	100.00%	100.00%	Nil	Nil	Nil	Providing Internet based educational services and coaching
Edu Smart Services Private Limited (ESSPL) (Refer note d)	India	0.00%	0.00%	0.00%	100.00%	100.00%	100.00%	Provision of educational services to schools
Indirectly Held								
Educomp Infrastructure Services Private Limited (EISPL)	India	83.61%	83.61%	83.61%	16.39%	16.39%	16.39%	Refer Note 1
Educomp APAC Services Limited (EASL)	British Virgin Island	83.61%	83.61%	83.61%	16.39%	16.39%	16.39%	Refer Note 1
Wizlearn Technologies Pte Limited (refer note e)	Singapore	Nil	Nil	100.00%	Nil	Nil	0.00%	Refer Note 3
Wiz Learn Pte Limited (refer note e)	Singapore	Nil	Nil	100.00%	Nil	Nil	0.00%	Refer Note 3
Pave Education Pte Limited (refer note e)	Singapore	Nil	Nil	100.00%	Nil	Nil	0.00%	Refer Note 3

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Particulars	Principal	Extent of Control			Non Controlling Interest			Principal Activities
Subsidiaries	Place of business	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	
Singapore Learning.Com Pte Limited (refer note e)	Singapore	Nil	Nil	100.00%	Nil	Nil	0.00%	Refer Note 3
The Learning Internet Inc (L.Com)(refer note f)	USA	56.85%	56.85%	58.32%	43.15%	43.15%	41.68%	Providing Internet based educational services and coaching
Falcate Builders Private Limited	India	83.43%	83.43%	83.43%	16.57%	16.57%	16.57%	Refer Note 1
Newzone Infrastructure Private Limited	India	83.31%	83.31%	83.31%	16.69%	16.69%	16.69%	Refer Note 1
Rockstrong Infratech Private Limited	India	83.48%	83.48%	83.48%	16.52%	16.52%	16.52%	Refer Note 1
Reverie Infratech Private Limited	India	83.42%	83.42%	83.42%	16.58%	16.58%	16.58%	Refer Note 1
Herold Infra Private Limited	India	83.44%	83.44%	83.44%	16.56%	16.56%	16.56%	Refer Note 1
Growzone Infrastructure Private Limited	India	83.42%	83.42%	83.42%	16.58%	16.58%	16.58%	Refer Note 1
Hidream Constructions Private Limited	India	83.44%	83.44%	83.44%	16.56%	16.56%	16.56%	Refer Note 1
Leading Edge Infratech Private Limited	India	83.34%	83.34%	83.34%	16.66%	16.66%	16.66%	Refer Note 1
Strotech Infrastructure Private Limited	India	83.44%	83.44%	83.44%	16.56%	16.56%	16.56%	Refer Note 1
Markus Infrastructure Private Limited	India	83.41%	83.41%	83.41%	16.59%	16.59%	16.59%	Refer Note 1
Orlando Builders Private Limited (Refer note g)	India	83.53%	83.42%	83.42%	16.47%	16.58%	16.58%	Refer Note 1
Crosshome Developers Private Limited	India	83.33%	83.33%	83.33%	16.67%	16.67%	16.67%	Refer Note 1
Good Luck Structure Private Limited	India	83.24%	83.24%	83.24%	16.76%	16.76%	16.76%	Refer Note 1
Evergreen Realtech Private Limited	India	83.29%	83.29%	83.29%	16.71%	16.71%	16.71%	Refer Note 1
Zeta Buildcon Private Limited	India	83.44%	83.44%	83.44%	16.56%	16.56%	16.56%	Refer Note 1
Onega Infrastructure Private Limited	India	83.37%	83.37%	83.37%	16.63%	16.63%	16.63%	Refer Note 1
Grider Infratech Private Limited	India	83.41%	83.41%	83.41%	16.59%	16.59%	16.59%	Refer Note 1
Boston Realtech Private Limited	India	83.31%	83.31%	83.31%	16.69%	16.69%	16.69%	Refer Note 1
Modzex Infrastructure Private Limited	India	83.27%	83.27%	83.27%	16.73%	16.73%	16.73%	Refer Note 1
Virtual Buildtech Private Limited	India	83.21%	83.21%	83.21%	16.79%	16.79%	16.79%	Refer Note 1
Laservision Estates Private Limited	India	83.26%	83.26%	83.26%	16.74%	16.74%	16.74%	Refer Note 1
Educomp Learning Hour Private Limited (ELHPL)	India	95.15%	91.30%	91.64%	4.85%	8.70%	8.36%	Refer Note 2
Knowledge Vistas Limited (Refer note h)	India	40.31%	40.56%	42.64%	59.69%	59.44%	57.36%	Refer Note 1
Educomp Software Limited	India	95.15%	91.30%	91.64%	4.85%	8.70%	8.36%	Refer Note 2
Joint Ventures								
Educomp - Raffles Higher Education Limited	India	41.82%	41.82%	41.82%	-	-	-	Refer note 4
Subsidiary of Joint Ventures								
Millennium InfraDevelopers Limited	India	41.82%	41.82%	41.82%	-	-	-	Refer note 4

(Rs. In millions unless otherwise stated)

Particulars	Principal	Extent of Control			Non Controlling Interest			Principal Activities
Associates	Place of business	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	As At March 31, 2017	As At March 31, 2016	As At April 1, 2015	
Little Millenium Education Private Limited (Refer note a below)	India	48.29%	-	-	-	-	-	Sale and supply of educational products and rendering of educational services comprising of Pre-School.
Greycells18 Media Private Limited	India	25.78%	25.78%	25.78%	-	-	-	Providing education through TV channel and Electronic Media.

Notes

1) These represents EISML and it's subsidiaries. They are engaged in the business of construction of school buildings to let out the same to educational institutions. These companies also provides maintenance and transportation facilities, management services, content and brand licensing and other services to educational institutions.

2) These represents EOSSL and it's subsidiaries. They are engaged in providing internet based educational services and coaching.

3) These represents Wizlearn and it's subsidiaries. They are engaged in providing internet and intranet-based e-learning solutions with customized content services to many local and overseas corporate companies, government institutions and agencies.

4) They are primarily engaged in the business of setting up and running professional, technical and vocational education institute in India.

Footnotes:

a) Little Millennium Education Private Limited (formerly known as Educomp Child Care Private Limited)

Up to March 31, 2015 - 63.53% stake was held by the Holding Company. During the financial year 2015-16, by mode of further issue to a shareholder to the extent of 2.87% of total number of shares as on March 31, 2016, the stake of the Holding Company reduced to 60.66%. During the Financial Year 2016-17, by mode of further issue to a shareholder to the extent of 12.37% of total number of shares as on March 31, 2017, the stake of Holding Company reduced to 48.29%.

b) Educomp Online Supplemental Service Limited (EOSSL)

Total stake of Holding Company in EOSSL, upto March 31, 2015 was 91.64% (84.21% direct stake and 7.43% through Little Millennium Education Private Limited). During the financial year 2015-16, the stake in EOSSL was reduced to 91.30%. During the part of financial year 2016-17, the stake was reduced to 89.85%. However subsequently, during the financial year 2016-17, Little Millennium Education Private Limited transferred its stake in EOSSL to EPEL. This has resulted in increase of stake of Holding Company in EOSSL to 95.15%.

c) Vidya Mandir Classes Limited (VMC)

During the financial year 2016-17, entire stake in Vidya Mandir Classes Limited i.e. 67.00% has been disposed off on July 22, 2016. Refer note 24 (8).

d) Edu Smart Services Private Limited (ESSPL)

By virtue of provisions of Ind AS 110 Consolidated Financial Statement the Holding Company has controlling power over ESSPL.

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e) Wizlearn Technologies Pte Limited

During the financial year 2015-16, entire stake in Wizlearn Technologies Pte Limited and its subsidiaries namely Wiz Learn Pte Limited, Pave Education Pte. Limited and Singapore Learning.com Pte. Limited has been disposed off on October 22, 2015.

f) The Learning Internet (L.Com)

Up to March 31, 2015 - 58.32% stake was held by the Holding Company. During the financial year 2015-16, by mode of further issue to a shareholder to the extent of 1.47% of total number of shares as on March 31, 2016, the stake of Holding Company was reduced to 56.85%.

g) Orlando Builders Private Limited

Up to March 31, 2016 - 83.42% stake was held by Educomp Infrastructure & School Management Limited (EISML). During the financial year 2016-17, the stake of EISML in Orlando Builders Private Limited has been increased by 0.11% due to further acquisition of its shares.

h) Knowledge Vistas Limited (KVL)

Up to March 31, 2015 - 42.64% stake was held by EISML. During the financial year 2015-16, by mode of further issue to a shareholder to the extent of 2.08% of total number of shares as on March 31, 2016, the stake of EISML reduced to 40.56%. During the financial year 2016-17 by mode of further issue to a shareholder to the extent of 0.25% of total number of shares as on March 31, 2016, the stake of EISML was reduced to 40.31%.

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(Rs. In millions unless otherwise stated)

(B) Non- Controlling Interest (NCI)

Set out below is summarised financial information for each subsidiary that has non- controlling interets in the Group. The amounts disclosed for each subsidiary are before inter- company eliminations.

Summarised Balance Sheet

As at March 31, 2017

Entity	Current assets (A)	Current liabilities (B)	Net current assets/(liabilities) (C)= (A-B)	Non- current assets (D)	Non- current liabilities (E)	Net non- current assets/(liabilities) (F)=(D-E)	Net Assets/(liabilities) (G)=(C+F)	Accumulated NCI
Educomp Learning Private Limited	42.65	5.75	36.90	8.83	2.76	6.07	42.97	21.06
Educomp School Management Limited	20.91	0.79	20.12	72.65	-	72.65	92.77	29.36
Learning Internet Inc. USA	447.92	621.09	(173.17)	239.67	186.76	52.91	(120.26)	(21.15)
Edu Smart Services Private Limited	1,959.56	12,867.66	(10,908.10)	170.42	386.24	(215.82)	(11,123.92)	(11,518.10)
Educomp Infrastructure & School Management Limited	2,361.47	519.40	1,842.07	13,104.63	7,858.52	5,246.11	7,088.18	1,417.81
Wheitstone Productions Private Limited	0.02	1.75	(1.73)	-	-	-	(1.73)	(0.01)
Savvica Inc., Canada	8.65	5.83	2.82	-	5.61	(5.61)	(2.79)	-
Educomp Online Supplemental Service Limited	378.83	285.55	93.28	304.31	1,194.90	(890.59)	(797.32)	(31.30)
Total								(10,102.33)

As at March 31, 2016

Entity	Current assets (A)	Current liabilities (B)	Net current assets (C)= (A-B)	Non- current assets (D)	Non- current liabilities (E)	Net non- current assets (F)=(D-E)	Net Assets (G)=(C+F)	Accumulated NCI
Educomp Learning Private Limited	51.78	9.38	42.40	10.42	2.44	7.98	50.38	24.69
Educomp School Management Limited	17.87	0.60	17.27	75.49	-	75.49	92.76	29.36
Little Millennium Education Pvt Ltd. (formerly know as Educomp Child Care Private Limited)	104.95	139.40	(34.45)	124.43	2.06	122.37	87.92	37.09
Vidya Mandir Classes Limited	589.48	497.23	92.25	242.15	-	242.15	334.40	110.35
Learning Internet Inc. USA	458.24	635.40	(177.16)	245.20	191.06	54.14	(123.02)	(22.34)
Edu Smart Services Private Limited	4,204.29	10,927.46	(6,723.17)	288.01	506.38	(218.37)	(6,941.54)	(7,335.72)
Educomp Infrastructure & School Management Limited	3,335.96	1,820.03	1,515.93	14,305.49	7,189.51	7,115.98	8,631.91	1,744.01
Wheitstone Productions Private Limited	0.02	1.74	(1.72)	-	-	-	(1.72)	(0.01)
Savvica Inc., Canada	9.08	6.11	2.97	-	5.89	(5.89)	(2.92)	-
Educomp Online Supplemental Service Limited	1,118.67	1,109.49	9.18	311.68	472.89	(161.21)	(152.03)	-
Total								(5,412.56)

As at April 1, 2015

Entity	Current assets (A)	Current liabilities (B)	Net current assets (C)= (A-B)	Non- current assets (D)	Non- current liabilities (E)	Net non- current assets (F)=(D-E)	Net Assets (G)=(C+F)	Accumulated NCI
Educomp Learning Private Limited	84.76	7.74	77.02	12.24	5.10	7.14	84.16	41.24
Educomp School Management Limited	17.93	0.54	17.39	75.49	-	75.49	92.88	29.39
Little Millennium Education Pvt Ltd. (formerly know as Educomp Child Care Private Limited)	69.53	128.77	(59.24)	141.97	1.68	140.29	81.05	29.56
Vidya Mandir Classes Limited	538.55	439.97	98.58	150.06	-	150.06	248.64	82.05
Learning Internet Inc. USA	555.80	531.17	24.63	229.35	157.32	72.03	96.66	40.29
Edu Smart Services Private Limited	2,172.13	10,607.07	(8,434.94)	2,721.06	836.34	1,884.72	(6,550.22)	(6,944.40)
Educomp Infrastructure & School Management Limited	2,996.78	3,373.05	(376.27)	15,242.89	7,290.25	7,952.64	7,576.37	1,673.88
Wheitstone Productions Private Limited	0.02	1.73	(1.71)	-	-	-	(1.71)	-
Savvica Inc., Canada	9.28	12.83	(3.55)	-	5.71	(5.71)	(9.26)	-
Educomp Online Supplemental Service Limited	981.11	800.27	180.84	320.39	672.38	(351.99)	(171.15)	-
Total								(5,047.99)

Summarised statement of profit and loss

For the year ended March 31, 2017

Entity	Revenue	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Profit allocated to NCI	Dividend allocated to NCI
Educomp Learning Private Limited	34.73	(7.41)	-	(7.41)	(3.63)	-
Educomp School Management Limited	-	0.01	-	0.01	-	-
Learning Internet Inc. USA	-	-	-	-	-	-
Edu Smart Services Private Limited	96.00	(4,182.31)	(0.08)	(4,182.38)	(4,182.31)	-
Educomp Infrastructure & School Management Limited	403.92	(1,466.49)	0.37	(1,466.12)	(258.57)	-
Wheitstone Productions Private Limited	-	(0.01)	-	(0.01)	(0.01)	-
Savvica Inc., Canada	-	-	-	-	-	-
Educomp Online Supplemental Service Limited	280.53	(645.28)	-	(645.28)	(31.30)	-
Vidya Mandir Classes Limited	355.93	38.79	-	38.79	8.65	-
Little Millennium Education Private Limited	17.10	9.76	-	9.76	3.85	-
Total	1,188.22	(6,252.94)	0.29	(6,252.64)	(4,463.32)	-

For the year ended March 31, 2016

Entity	Revenue	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Profit allocated to NCI	Dividend allocated to NCI
Educomp Learning Private Limited	36.80	(33.78)	-	(33.78)	(16.55)	-
Educomp School Management Limited	-	(0.11)	-	(0.11)	(0.04)	-
Wheitstone Productions Private Limited	-	(0.01)	-	(0.01)	(0.01)	-
Little Millennium Education Pvt Ltd.	147.84	1.22	-	1.22	0.45	-
Vidya Mandir Classes Limited	911.36	132.38	-	132.38	28.30	-
Learning Internet Inc. USA	1,138.59	(120.42)	-	(120.42)	(53.32)	20.78
Savvica Inc., Canada	-	6.48	-	6.48	-	-
Educomp Online Supplemental Service Limited	278.41	19.12	-	19.12	-	-
Edu Smart Services Private Limited	127.98	(391.13)	(0.09)	(391.22)	(391.22)	-
Educomp Infrastructure & School Management Limited	472.35	(1,388.87)	0.11	(1,388.76)	(238.84)	-
Total	3,113.32	(1,775.12)	0.02	(1,775.10)	(671.23)	20.78

Summarised Cash Flows

For the year ended March 31, 2017

Entity	Cash flow from Operating activities	Cash flow from Investing activities	Cash flow from Financing activities	Net increase/ (decrease) in cash and cash equivalents
Educomp Learning Private Limited	(12.03)	(0.19)	-	(12.22)
Educomp School Management Limited	3.03	-	-	3.03
Learning Internet Inc. USA	(8.57)	-	-	(8.57)
Edu Smart Services Private Limited	254.64	19.67	(333.39)	(59.08)
Educomp Infrastructure & School Management Limited	394.38	1,017.22	(1,406.57)	5.03
Wheitstone Productions Private Limited	-	-	-	-
Little Millennium Education Pvt Ltd.	1.15	-	-	1.15
Vidya Mandir Classes Limited	207.38	(49.47)	-	157.91
Savvica Inc., Canada	(0.12)	-	-	(0.12)
Educomp Online Supplemental Service Limited	165.32	(0.17)	(161.95)	3.20

For the year ended March 31, 2016

Entity	Cash flow from Operating activities	Cash flow from Investing activities	Cash flow from Financing activities	Net increase/ (decrease) in cash and cash equivalents
Educomp Learning Private Limited	11.84	(0.23)	-	11.61
Educomp School Management Limited	(0.05)	-	-	(0.05)
Wheitstone Productions Private Limited	144.78	(104.23)	(117.57)	(77.02)
Little Millennium Education Pvt Ltd.	585.44	14.76	(526.11)	74.09
Vidya Mandir Classes Limited	274.28	67.68	(469.22)	(127.26)
Learning Internet Inc. USA	-	-	-	-
Savvica Inc., Canada	25.85	-	12.00	37.85
Educomp Online Supplemental Service Limited	94.92	(78.62)	-	16.30
Edu Smart Services Private Limited	0.28	0.02	-	0.30
Educomp Infrastructure & School Management Limited	51.05	(3.28)	(72.64)	(24.87)

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(Rs. In millions unless otherwise stated)

Note 36. Goodwill and Capital Reserve on consolidation as on the Balance Sheet date comprises the following:

Particulars	As at	As at	As at
Goodwill on consolidation of companies	**March 31, 2017**	**March 31, 2016**	**April 1, 2015**
Educomp Learning Private Limited	0.66	0.66	0.66
Edumatics Corporation Inc.	25.95	25.95	25.95
Educomp Infrastructure & School Management Limited	9,316.06	9,316.06	9,316.06
Educomp School Management Limited	9.99	9.99	9.99
Wheitstone Productions Private Limited (fully provided, see below)	3.43	3.43	3.43
The Learning Internet Inc	653.20	653.20	653.20
Wizlearn Technologies Pte Limited (earlier known as AsknLearn Pte Limited)	-	-	74.18
Educomp Professional Education limited	-	-	-
Savicca Inc (fully provided, see below)	122.93	122.93	122.93
Educomp Online Supplemental Services Limited	206.98	206.98	206.98
Vidya Mandir Classes Limited	-	337.96	337.96
Total Goodwill	**10,339.20**	**10,677.16**	**10,751.34**
Less: Provision for impairment of goodwill related to Wheitstone Productions Private Limited	3.43	3.43	3.43
Less: Provision for impairment of goodwill goodwill related to Savicca Inc	122.93	122.93	122.93
Net Goodwill	**10,212.84**	**10,550.80**	**10,624.98**

Particulars	As at	As at	As at
Capital Reserve on consolidation of companies	**March 31, 2017**	**March 31, 2016**	**April 1, 2015**
Educomp Infrastructure & School Management Limited	39.62	39.62	39.62
Little Millennium Education Private Limited	-	62.94	62.94
Total	39.62	102.56	102.56

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(Rs. In millions unless otherwise stated)

Note 37 Interest in Associates & Joint Ventures accounted using Equity Method

(i) Details of carrying value of Associates & Joint Venture

Name of the entity	Place of Business/country of incorporation	Year	% of ownership interest	Carrying Amount
Associate				
Greycells 18 Media Limited	India	As at March 31, 2017	25.78%	78.74
		As at March 31, 2016	25.78%	88.63
		As at April 01, 2015	25.78%	104.54
Little Millennium Education Private Limited	India	As at March 31, 2017	48.29%	195.12
Joint Venture				
Educomp-Raffles Higher Education Limited	India	As at March 31, 2017	41.82%	572.80
		As at March 31, 2016	41.82%	572.80
		As at April 01, 2015	41.82%	587.10

Greycells 18 Media Limited

Greycells18 Media Limited is a company incorporated in India. The principal activity of the company is providing education through TV channel and Electronic Media.

Little Millennium Education Private Limited (Formerly Known as Educomp Child Care Private Limited)

Little Millennium Education Private Limited is a Company incorporated in India. The Company is engaged in sale and supply of educational products and rendering of educational services comprising of Pre-School.

Educomp-Raffles Higher Education Limited

Educomp-Raffles Higher Education Limited is a Company incorporated in India. The Company is primarily engaged in the business of setting up and running professional, technical and vocational education institute in India.

(ii) Summarised financial information for Associates

The tables below provide summarised financial information for the associates & joint venture. The information disclosed reflects the amounts presented in the financial statements of the relevant associates, joint ventures and not Educomp solutions Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method and modifications for differences in accounting policies, if any.

(Rs. In millions unless otherwise stated)

a) Summarised balance sheet

Particulars	Associates				Joint Venture		
	Greycells 18 Media Limited			Little Millennium Education Limited	Educomp-Raffles Higher Education Limited		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Total current assets	41.32	36.24	42.16	166.03	621.96	621.96	653.99
Total non-current assets	17.97	23.82	21.66	98.52	773.64	773.64	797.68
Total assets	59.29	60.06	63.82	264.55	1,395.60	1,395.60	1,451.67
Total current liabilities	149.18	111.64	53.80	87.42	116.73	116.73	138.26
Total non-current liabilities	1.35	1.29	1.14	3.27	1.94	1.94	2.27
Total liabilities	150.53	112.93	54.94	90.69	118.67	118.67	140.54
Net assets	(91.24)	(52.87)	8.88	173.86	1,276.93	1,276.93	1,311.14

b) Reconciliation to carrying amounts

Particulars	Associates			Joint Venture	
	Greycells 18 Media Limited		Little Millennium Education Limited	Educomp-Raffles Higher Education Limited	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Opening carrying value	88.63	104.54	63.12	572.80	587.10
Gain associated with loss of control of an investment (refer note 24)	-	-	191.00	-	-
Less: Capital Reserve till the loss of control i.e. April 22, 2016	-	-	(62.94)	-	-
Share of post acquisition profit/(loss)	(9.96)	(15.96)	3.99	-	(14.30)
Other comprehensive income/ (expense)	0.07	0.05	(0.05)	-	-
Closing carrying value	**78.74**	**88.63**	**195.12**	**572.80**	**572.80**

c) Summarised statement of profit and loss

Particulars	Associates			Joint Venture	
	Greycells 18 Media Limited		Little Millennium Education Limited	Educomp-Raffles Higher Education Limited	
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the period from April 23 to March 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue	59.63	38.00	191.15	-	42.20
Other Income	1.46	1.08	0.67	-	0.00
Profit/ (loss) before tax	(38.65)	(61.93)	8.65	-	(34.20)
Profit/ (loss) after tax	(38.65)	(61.93)	8.65	-	(34.20)
Other comprehensive income/ (expense)	0.27	0.19	(0.09)	-	-
Total comprehensive income	(38.38)	(61.74)	8.56	-	(34.20)

Educomp-Raffles Higher Education Limited

The consolidated financial statements of JV of the company i.e. Educomp-Raffles Higher Education Limited as at March 31, 2017 and March 31, 2016 are not available with the company. Hence, the consolidated financial statements of the company reflects net loss of Rs. Nil (Previous year Rs. 14.30 Million) for the year ended as at March 31, 2017, which are based on unaudited consolidated financial statements of the JV for the quarter ended 30, 2015. At present control and management of aforesaid JV is now vested with Raffles Group, pursuant to liquidation order passed in November 2017 for initiation of liquidation proceedings of Educomp Asia Pacific Pte Ltd. (having shareholding of said JV). The Company doesn't exercise any controlled over the said JV and hence no financial statements are available with us to consolidate the accounts of this entity into our Consolidated financial statements.

No dividend has been distributed by the Joint Ventures & Associates during the year.

Note 38 Share reserved under contract/commitments under share Warrants

Educomp Infrastructure & School Management Limited (EISML)

(i) Pursuant to shareholders resolution dated July 20, 2010, EISML had issued, on July 26, 2010, 800,000 share warrants of Rs. 10 each on preferential basis to be converted into 800,000 equity shares of Rs. 10 each at a premium of Rs. 676 per share at the option of the holder after a period of one year from the date of issue, subject to maximum period of ten year from the date of issuance and payment of the issue price (including premium) of the equity shares. After period of ten years, the unissued share warrants shall stand forfeited.

(ii) Pursuant to resolution passed in the meeting of Board of Directors of EISML held on March 31, 2012, EISML had issued 5 warrants of Rs. 133.33 million each aggregating Rs. 666.67 million against which Rs. 66.67 million had been received. Warrants issued carries an option/entitlement to subscribe to such number of equity shares at such price as determined in terms of the share cum warrant subscription agreement dated March 29, 2012. The warrants may be exercised at any time within a period of five years from the closing date, March 31, 2012 at the sole discretion of the party. In the event of non exercising of the option, the warrant subscription amount shall stand forfeited. During the year money received against share warrants has been refunded.

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(Rs. In millions unless otherwise stated)

Note 39. Leases

a) Operating lease

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.
- There are no restrictions imposed by the lessor.
- There are scheduled escalations.

ii). The Group has taken office space and technology equipment under cancellable/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 85.37 million (previous year Rs 139.00 million). The future minimum lease rent payable (minimum lease payments) under non-cancellable operating leases are as follows:

	As at March 31, 2017	As at March 31, 2016	As At April 1, 2015
Within one year	45.61	90.21	105.79
Later than one year but not later than five years	77.71	191.35	266.62
Later than five years	-	2.48	11.60
Total	**123.32**	**284.04**	**384.01**

aii) Assets given on lease

i) General description of lease terms:

a) Assets are given on lease/license over a period of 30 years on non-assignable, non-transferable and non-revocable basis to educational institutions.

b) Lease/license rentals are recognized as revenue as per the terms of the related agreement.

c) Initial direct cost such as legal costs, brokerage costs, lease registration costs etc are recognized as an expense on a straight line basis over the period of lease.

d) The leases are renewable after expiry of agreement period.

e) There are no escalations as per the lease agreement.

The Group has given land and building on non-cancellable operating lease to the educational institutions whose cost and accumulated depreciation is as follows:

Operating lease to educational institution	**As At March 31, 2017**	**As At March 31, 2016**	**As At April 1, 2015**
Cost of land	743.23	1,006.36	1,018.00
Cost of building	5,154.21	5,771.33	5,926.27
Accumulated depreciation	630.11	611.13	532.10

Operating lease to educational institution	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Depreciation	84.91	94.77
Lease rental charged	344.67	315.70
Contingent rent	-	-

(Rs. In millions unless otherwise stated)

The future minimum lease payment expected to be received as on March 31, 2017 is Rs 6,311.50 millions (previous year Rs 6,599.14 millions).

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not later than 1 year	280.21	280.41	403.54
Later than 1 year but not later than 5 years	1,120.45	1,121.65	1,614.16
Later than 5 years	4,910.84	5,197.08	7,758.12
Total	6,311.50	6,599.14	9,775.82

aiii) Assets given on sub lease

ii) The Company has given office space on sub lease. Other income includes income from operating lease of Rs. 4.84 million (March 31, 2016 Rs. 1.17 million). The future minimum sublease payment expected to be received are as follows:

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Within one year	5.85	1.03	0.84
Later than one year but not later than five years	22.06	1.73	-
Later than five years	1.47	-	-
Total	29.38	2.76	0.84

b) Financial lease

bi) Assets taken on lease

i).General description of lease terms:

- Assets are taken on lease for a period of three to five years.
- Lease rentals are charged on the basis of agreed terms.
-The assets taken under finance lease are in the nature of technology equipments.**
- There are no escalations as per the lease agreement.

ii) Finance lease obligation of the company on different reporting dates are as follows:

	As At March 31, 2017			As At March 31, 2016			As At April 01, 2015		
	Future minimum Lease payments	Interest	Present Value	Future minimum Lease payments	Interest	Present Value	Future minimum Lease payments	Interest	Present Value
Within one year	-	-	-	-	-	-	14.89	2.65	12.24
Later than one year but not later than five years	-	-	-	-	-	-	9.86	0.94	8.92
Later than five years	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	24.75	3.59	21.16

* During the year 2015-16, the Group had entered into a settlement agreement with the lessor with respect to the amount outstanding as on March 31, 2015. Pursuant to such agreement, the Group was required to pay one time settlement amount of Rs.12.12 million along with due rental for the month of February and March 2015 amounting to Rs 0.84 million for each month to the lessor.

**The net carrying amount of assets taken on finance lease is nil as the same has been sub leased and thereby derecognised from the books as per Ind AS 17 "Leases".

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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.
- 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, 2017	As At March 31, 2016	As at April 01, 2015
Total Minimum lease payments receivables (net investment)	15.80	125.11	241.13
Total	**15.80**	**125.11**	**241.13**

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

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	0 to 1 year	1 to 5 year	0 to 1 year	1 to 5 year	0 to 1 year	1 to 5 year
Total Minimum lease payments receivables (gross investment)	14.56	2.93	116.95	18.72	142.52	137.05

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Gross investment	17.50	135.67	279.57
Net investment	15.80	125.12	241.13
Unearned finance income	1.70	10.55	38.44

Note 40 Suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Principal amount due to micro, small and medium enterprises	7.90	2.58	0.95
Interest due on above	-	-	-
Total	7.90	2.58	0.95
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.	-	-	-
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 41 Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R 308(E), dated March 30, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows

Particular	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	4.75	0.07	4.82
Add: Withdrawl from bank accounts between November 9, 2016 and December 30, 2016	-	0.59	0.59
Less: Amount deposited in bank	(4.75)	(0.00)	(4.75)
Less: Paid for permitted transactions	-	(0.34)	(0.34)
Closing cash in hand as on December 30, 2016	-	0.32	0.32

Note 42. Unhedged foreign currency exposures

(i) Unhedged foreign currency exposure relating to financial instruments - refer note 27

(ii) Unhedged foreign currency exposure relating to non-financial instruments :

	Foreign currency	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advance to suppliers	US$	1.38	3.94	7.17
	GBP	-	0.52	-
	HKD	-	0.81	-
	SGD	0.38	4.38	-
Advance from customer	US$	0.58	0.59	0.60

Note 43. The Group has appointed a firm of Chartered Accountants for conducting a transfer pricing study to determine whether the transactions with associate enterprises were undertaken at "arms length basis". Adjustments, if any arising from the transfer pricing study shall be accounted for as and when the study is completed. The management confirms that all international transactions with associate enterprises are undertaken at negotiated contracted prices on usual commercial terms. Transfer pricing certificate under Section 92E for the year ending March 31, 2016 has been obtained and there are no adverse comments requiring adjustments in Consolidated Ind AS Financial Statements.

Note 44. The Group regularly undertakes Transfer Pricing Study for Specified Domestic Transactions ('SDT') with its associate parties domiciled in India as stipulated in Section 92BA of the Income Tax Act, 1961, applicable in India, to determine whether such SDT with associate parties in India are being undertaken at "arm's length basis". The management is of the opinion that all transactions with associate enterprises are undertaken at negotiated contracted prices on usual commercial terms and are at arms' length, and there will not be any impact on the Financial Statements as a consequence of the transfer pricing study to be taken by the Group for the current year. Transfer pricing certificate under Section 92E for the year ending March 31, 2016 has been obtained and there are no adverse comments requiring adjustments in Consolidated Ind AS Financial Statements.

Note 45. EISML has approached the various trusts to confirm the balances receivable from them aggregating to Rs. 1,632.20 million and loans & advances amounting to Rs 1,019.95 million. However the trusts/counterparties haven't confirmed these balances as yet. Board of directors of EISML has passed necessary resolution in their meeting held on August 18, 2017 and has initiated legal action against these trusts.

Note 46. During the previous year 2015-16, based on a legal opinion obtained by EISML and considering the other relevant provisions of Income Tax Act, 1961 and various rulings of Hon'ble Courts regarding the deduction of accrued interest on various loans/borrowings for the earlier years against the current year's taxable income, EISML has claimed deduction of accrued interest amounting Rs.787.46 million pertaining to financial year 2013-14 while ascertaining the tax liability for the previous year.

Note 47. The Holding Company has initiated proceedings for recovery of outstanding amount from certain trade receivables amounting to Rs. 4,292.09 million (March 31, 2016 Rs. 3,601.17 million, April 01, 2015 Rs. 2,826.55 million), in respect of which the Holding Company has created a provision of Rs. 3,589.10 million (March 31, 2016 Rs. 3,596.57 million, April 01, 2015 Rs.1,910.02 million), which in the opinion of the Holding Company is adequate to mitigate the risk of any possible non recovery from such receivables. Further, the Holding Company has filed a legal case against one former employee for recovery of certain damages amounting to Rs. 15 million arising from stealing of Holding Company's intellectual property right. The Holding 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 Holding Company does not expect any adverse impact on the financial position as a consequence of these proceedings/case. The Holding Company has recorded all expenses pertaining to legal & professional charges in respect of all such proceedings/case.

Note 48. Due to inadequacy of the profits, managerial remuneration paid by the Holding Company to one of its Whole Time Director during the quarter ended June 30, 2015 and year ended March 31, 2015, is 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 Holding Company is in the process of making necessary 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 in due course.

Note 49. In respect of EISML, due to inadequacy of profits during the earlier financial year ended March 31, 2014, managerial remuneration paid/recorded, by EISML to its managing directors during financial year ended March 31, 2014, was in excess of the limits provided under the Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956.

The management of the EISML has submitted an application to the Central Government to obtain its approval for the waiver of the remuneration pertaining to year ended March 31, 2014.

Note 50. EISML has a subsidiary, Educomp APAC Services Limited, BVI which holds Universal Brand. During the year, operations of schools under this brand has been closed and the management intends to revive this brand in future, hence no further provision for diminution in the carrying value of the investment aggregating to Rs 463.39 million is recorded.

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Note 51. In accordance with the provisions of the Insolvency Code, public announcement was made for submission of proof of claims on the Holding Company from financial creditors, operational creditors and employees and workmen. As per the Insolvency Code, the RP has to receive, collate and admit all the claims submitted. Such claims can be submitted to the RP during the CIRP, till the approval of a resolution plan by CoC. The Holding company and RP has received, verified and admitted claims, which were submitted, and thereafter, the admitted claims have been taken into cognizance by CoC, while approving the Resolution Plan. Pending approval of the Resolution Plan by Hon'ble NCLT, the impact of admitted claims on the outstanding liability as at March 31, 2017 and statement of profit and loss for the year ended on that date, has not been considered in the preparation of the Consolidated Ind AS Financial Statements.

Further, deficit arising out of the final Resolution Plan as compared to the Net Worth of the Company, if any, has not been taken in carrying value of assets as at March 31, 2017 and Statement of Profit and Loss for the year ended on that date.

	Claimed Amount	Admitted Amount
Financial Creditors	31,080.89	30,242.66
Operational Creditors	219.84	15.24
Workmen and employees	77.40	30.93
	31,378.13	30,288.83

Note in respect of subsidiaries

ESSPL

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 ESSPL from financial creditors and operational creditors. As per the Insolvency Code, the Resolution Professional (RP) has to receive, collate and admit all the claims submitted against ESSPL. Such claims can be submitted to the RP during the Corporate Insolvency Resolution Process (CIRP), till the approval of a resolution plan by Committee of Creditors (CoC). ESSPL and RP is still in the process of receiving, collating and verifying such claims, as and when they are received, and shall subsequently admit such verified claims as per the Code.

Till date of issue of these financial statements, following claims has been filed against ESSPL by its creditors (financial and operational).

	Claimed Amount	Admitted Amount	Not Admitted
Financial Creditors (refer note below)	1,989.99	-	1,989.99
Operational Creditors	11,257.24	11,335.55	-
	13,247.23	11,335.55	1,989.99

Note: The details of claim admitted are not available with the Management/RP of the Holding Company.

EISML

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 EISML 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 EISML. Such claims can be submitted to the RP during the Corporate Insolvency Resolution Process (CIRP), till the approval of a resolution plan by Committee of Creditors (CoC). EISML and RP is still in the process of receiving, collating and verifying such claims, as and when they are received, and shall subsequently admit such verified claims as per the Code.

Till date of issue of these financial statements, following claims has been filed against EISML by its creditors (financial and operational), employees and workmen.

	Claimed Amount	Admitted Amount	Under verification	Not Admitted
Financial Creditors	11,982.60	9,049.40	-	2,933.20
Operational Creditors	22.74	2.87	2.58	17.29
Workmen and employees	1.30	0.38	0.86	0.06
	12,006.64	9,052.65	3.44	2,950.55

ELHPL

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 ELHPL 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 ELHPL. Such claims can be submitted to the RP during the Corporate Insolvency Resolution Process (CIRP), till the approval of a resolution plan by Committee of Creditors (CoC). ELHPL and RP is still in the process of receiving, collating and verifying such claims, as and when they are received, and shall subsequently admit such verified claims as per the Code.

Till date of issue of these financial statements, following claims has been filed against ELHPL by its creditors (financial and operational), employees and workmen.

	Claimed Amount	Admitted Amount*	Not Admitted
Financial Creditors	1,210.90	1,210.90	-
Operational Creditors	-	-	-
Workmen and employees	-	-	-
	1,210.90	1,210.90	-

* This includes amount of Rs. 785.07 claim filled by ICICI Bank Limited and subsequently paid by VMC.

Note 52 Loss per share (EPS)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Calculation of loss for basic/diluted EPS		
Net loss attributable to equity shareholders	(3,353.33)	(5,584.50)
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	(27.38)	(45.60)

*The Company is having potential equity shares as mentioned in note 12.h but these are not considered to be dilutive. Consequently, the basic and diluted EPS of the Company remains the same.

(Rs. In millions unless otherwise stated)

Note 53. As per the terms of MRA and approved CDR scheme of EISML, there are certain assets of the Group which have been identified for sale in a time bound manner. The lead bank carried out a valuation of these assets which are indicative in nature. Market valuations have not been carried out by the Group as some of these assets are not ready for sale due to pending regulatory approvals/permissions.

Based on recent firm offers and latest valuation reports, the management believes that the market value of investments is higher than as considered under the indicative valuation reports and differences, if any, are temporary only. Therefore, no adjustment is required to the carrying value of these investments.

EISML has incurred losses and its debt related obligation in form of Funded Interest Term Loan has been converted into 0.1% Cumulative Compulsory Convertible Preference Shares during the year. Based on projected cash flows, it shall have sufficient funds to run its operations in foreseeable future. As regards availability of requisite funds to meet its debt related obligations overdue and including those falling due in year 2016-17 as per the CDR package executed with lenders, it intends to monetize its assets identified for sale to meet the necessary obligations. The Company is also taking several measures to improve operational efficiencies and other avenues of raising funds.

EISML is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow to discharge its short-term and long term liabilities and recover & recoup the erosion in its net worth through profitable operations and continue as a going concern. Accordingly, these consolidated Ind As financial results have been prepared considering its financial statement 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 Company is unable to continue as a going concern.

Note 54. Other notes

a) Company has requested for bank statement but bank had not provided with statement of balance of margin money amounting Rs. 14.33 million, as at March 31, 2017.

As audit procedure, auditor had sent letters to confirm the balance in current accounts and margin money to all bankers but bankers hadn't provided balance confirmation.

b) Cheques amounting to Rs. 4.48 millions deposited till March 31, 2017 but not cleared within validity period of 3 months from the date of issue were subsequently reversed in the books of accounts. These cheque were deposited on pan India level and recorded on the basis of deposit into bank account and reversed after becoming stale on expiry period of 3 months. This is generally accepted practice of accounting and followed consistently from past few years.

c) Company has requested to all its lenders to waive penal interest as company is facing liquidity crunch and not able to generate adequate cash flows to meet its normal debt obligation. Hence company has not computed and provided for penal interest.

d) Certain loan accounts with lenders were NPA and lenders did not share loan statements with the Company. As audit procedure auditor had sent letters to confirm the balance of loan but lenders hadn't provided balance confirmation. We don't have any control over bankers to provide such confirmations to auditors.

e) As audit procedure auditor had sent letters to confirm the balance of loan accounts but bankers hadn't provided balance confirmation. We don't have any control over bankers to provide such confirmations to auditors. In some of the cases where the lenders provided the confirmation directly to the auditors without complete loan statement, we are unable to reconcile and comment upon the difference in balance as per books and balance as per confirmations.

f) One of the vendors registered under MSMED, M/s Sansavi Technologies Private Limited has claimed interest on delayed payment made to supplier as at March 31, 2017. The supplier has filed claim for recovery and matter is pending in district court. Therefore the company has not provided any interest on delayed in payment. Upon completion of litigation interest, if any awarded by the appropriate authority shall be recorded in the books of accounts.

Summary of the trade payables whose balances are not reconciled is as follows:

Name of Vendor	Amount as per books	Amount as per Confirmation	Variance
Brescon Corporate Advisory Private Limited	3.42	8.64	5.22
Altop Industries	1.83	1.92	0.09
	5.25	10.56	5.31

Since the supplier had not provided with statement of account with confirmation, we were not able to reconcile the balance between books and confirmation. Any adjustments, if any post receipt of statement shall be recorded in the books of accounts.

g) Company had delivered content as per agreement and recognize revenue accordingly in the financials. Advance received as per agreement had been squared off against these revenue/ invoice after completion and deliverables as per agreement. As per accounting policy it is not pre requisite to get the confirmation from customers to recognize revenue. This policy is consistently applied over the last couple of years. Since there is a legal dispute with the JV partner Raffles, no such confirmation has been provided to us.

h) Company had given advance to two entities for commercial space and providing knowledge centre for expansion of its business. But due to slow down in its business, the company had not able to meet its obligation based on agreement executed with them. In the FY 2017-18 both the entities initiated arbitration proceedings against the company and demanded damages and other charges. Since the company is in CIRP, the matter is under moratorium till the conclusion of CIRP. Since we intend to contest the matter, we haven't created provision against these advances.

i) Company has entered into an agreement with Digital Learning Solutions SDN BHD for exclusive distribution post customization of the company's learning and educational content "Smartclass". Due to financial crunch the company had not able to customize as per specification.
Later on, Digital Learning had raised a dispute against the Company and initiated the arbitration proceedings against the Company in Kuala Lumpur Regional Centre for Arbitration ("KLRCA"; now renamed as Asian International Arbitration Centre). On December 19, 2016, Digital Learning was awarded the claim for damages against the Company which was appropriately recorded in the books of accounts.

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

55. Statement of net assets and profit or loss attributable to owner and minority interest for the financial year ended on March 31, 2017

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs)	As % of consolidated profit or (loss)	Amount (in Rs)	As % of Consolidated other comprehensive income	Amount (in Rs)	As % of total comprehensive income	Amount (in Rs)
Educomp Solutions Limited	-127.81%	(2,775.39)	141.82%	(4,755.59)	56.37%	24.32	142.93%	(4,731.27)
Indian Subsidiaries								
Little Millenium Education Private Limited	0.00%	-	-0.28%	9.38	0.00%	-	-0.28%	9.38
Educomp Infrastructure and School Management Limited	319.72%	6,942.54	41.25%	(1,383.29)	0.86%	0.37	41.78%	(1,382.92)
Educomp Infrastructure Services Private Limited	0.01%	0.20	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Educomp Investment Management Limited	0.41%	8.88	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Educomp Learning Hour Private Limited	-43.91%	(953.51)	18.96%	(635.91)	0.00%	-	19.21%	(635.91)
Educomp Learning Private Limited	1.98%	42.98	0.22%	(7.41)	0.00%	-	0.22%	(7.41)
Educomp Online Supplemental Services Limited	11.19%	243.06	0.01%	(0.44)	0.00%	-	0.01%	(0.44)
Educomp Professional Education Limited	46.27%	1,004.76	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Educomp School Management Limited	4.27%	92.77	0.00%	0.01	0.00%	-	0.00%	0.01
Educomp Software Limited	-0.62%	(13.39)	0.27%	(8.94)	0.00%	-	0.27%	(8.94)
Edusmart Services Private Limited	-512.86%	(11,136.54)	124.91%	(4,188.62)	-0.19%	(0.08)	126.54%	(4,188.70)
Vidya Mandir Classes Limited	0.00%	-	-0.78%	26.21	0.00%	-	-0.79%	26.21
Knowledge Vista Limited	10.78%	234.18	1.05%	(35.18)	0.00%	-	1.06%	(35.18)
Wheitstone Productions Private Limited	-0.08%	(1.74)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Boston Realtech Private Limited	3.12%	67.81	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Crosshome Developers Private Limited	3.45%	74.92	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Evergreen Realtech Private Limited	2.99%	64.89	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Falcate Builders Private Limited	8.60%	186.76	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Good Luck Structure Private Limited	2.59%	56.25	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Grider Infratech Private Limited	4.87%	105.70	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Growzone Infrastructure Private Limited	4.91%	106.69	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Herold Infra Private Limited	1.74%	37.79	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Hidream Constructions Private Limited	12.59%	273.36	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Laservision Estates Private Limited	2.69%	58.47	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Leading Edge Infratech Private Limited	3.49%	75.78	0.00%	(0.04)	0.00%	-	0.00%	(0.04)

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs)	As % of consolidated profit or (loss)	Amount (in Rs)	As % of Consolidated other comprehensive income	Amount (in Rs)	As % of total comprehensive income	Amount (in Rs)
Markus Infrastructure Private Limited	3.42%	74.30	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Modzex Infrastructure Private Limited	2.94%	63.94	-0.02%	0.64	0.00%	-	-0.02%	0.64
Newzone Infrastructure Private Limited	3.41%	73.96	-0.02%	0.73	0.00%	-	-0.02%	0.73
Onega Infrastructure Private Limited	-0.53%	(11.43)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Orlando Builders Private Limited	7.85%	170.56	0.00%	0.09	0.00%	-	0.00%	0.09
Reverie Infratech Private Limited	1.51%	32.82	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Rockstrong Infratech Private Limited	4.02%	87.19	0.01%	(0.17)	0.00%	-	0.01%	(0.17)
Strotech Infrastructure Private Limited	6.33%	137.41	-0.02%	0.54	0.00%	-	-0.02%	0.54
Virtual Buildtech Private Limited	2.36%	51.34	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Zeta Buildcon Private Limited	1.37%	29.73	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Foreign Subsidiaries								
Edumatics Corporation Inc. USA	0.53%	11.51	0.23%	(7.73)	0.00%	-	0.23%	(7.73)
Educomp APAC Services Limited	24.77%	537.84	1.46%	(48.92)	0.00%	-	1.48%	(48.92)
Ask N Learn Pte. Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Singapore Learning.com Pte. Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Pave Education Pte. Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Wiz Learn Pte Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Educomp Asia Pacific Pte. Limited	77.56%	1,684.24	2.34%	(78.31)	0.00%	-	2.37%	(78.31)
Savvica Inc., Canada (Refer note below)	-0.13%	(2.78)	0.00%	-	0.00%	-	0.00%	-
Learning Internet Inc. USA (Refer note below)	-5.54%	(120.25)	0.00%	-	0.00%	-	0.00%	-
Educomp IntelProp Ventures Pte Limited	-9.29%	(201.72)	-4.05%	135.97	0.00%	-	-4.11%	135.97
Educomp Global Holding	1.96%	42.49	0.00%	-	0.00%	-	0.00%	-
Educomp Global FZE	-0.54%	(11.78)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Investment as per equity method								
Joint Ventures								
Indian								
Educomp Raffles Higher Education Limited	NA	NA	0.00%	-	0.00%	-	0.00%	-
Associates								
Indian								
Greycells18 Media Private Limited	NA	NA	0.30%	(9.96)	0.16%	0.07	0.30%	(9.89)
Educomp Child Care Private Limited	NA	NA	-0.12%	4.18	-0.11%	(0.05)	-0.12%	4.13

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs)	As % of consolidated profit or (loss)	Amount (in Rs)	As % of Consolidated other comprehensive income	Amount (in Rs)	As % of total comprehensive income	Amount (in Rs)
Non Controlling Interest								
Indian Subsidiaries								
Educomp Infrastructure and School Management Limited	65.29%	1,417.81	7.71%	(258.57)	-4.45%	(1.92)	7.87%	(260.49)
Educomp Learning Private Limited	0.97%	21.06	0.11%	(3.63)	0.00%	-	0.11%	(3.63)
Educomp School Management Limited	1.35%	29.36	0.00%	-	0.00%	-	0.00%	-
Little Millennium Education Pvt Ltd. (formerly know as Educomp Child Care Private Limited)	0.00%	-	-0.11%	3.85	0.00%	-	-0.12%	3.85
Vidya Mandir Classes Limited	0.00%	-	-0.26%	8.65	0.00%	-	-0.26%	8.65
Educomp Online Supplemental Services Limited	-1.44%	(31.30)	0.93%	(31.30)	0.00%	-	0.95%	(31.30)
Wheitstone Productions Private Limited	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Edusmart Services Private Limited	-530.43%	(11,518.10)	124.72%	(4,182.31)	0.05%	0.02	126.35%	(4,182.29)
Foreign Subsidiaries				-		-		-
Learning Internet Inc. USA (Refer note below)	-0.97%	(21.15)	-	-	2.67%	1.15	(0.00)	1.15
Savvica Inc., Canada (Refer note below)	0.00%	-	-	-	0.00%	-	-	-
Total Eliminations	682.82%	14,827.21	-360.65%	12,093.67	44.63%	19.26	-365.93%	12,112.93
Consolidated net Assets / Loss after tax	100.00%	2,171.47	100.00%	(3,353.33)	100.00%	43.14	100.00%	(3,310.19)

EDUCOMP SOLUTIONS LIMITED NEW DELHI

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Educomp Solutions Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(Rs. In millions unless otherwise stated)

Statement of net assets and profit or loss attributable to owner and minority interest for the financial year ended on March 31, 2016

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs)	As % of consolidated profit or (loss)	Amount (in Rs)	As % of Consolidated other comprehensive income	Amount (in Rs)	As % of total comprehensive income	Amount (in Rs)
Educomp Solutions Limited	30.79%	1,590.86	54.50%	(3,043.70)	-0.12%	0.23	52.73%	(3,043.47)
Indian Subsidiaries								
Little Millennium Education Private Limited	1.70%	87.92	0.09%	(5.13)	0.00%	-	0.09%	(5.13)
Educomp Infrastructure and School Management Limited	162.42%	8,392.13	23.61%	(1,318.43)	-0.06%	0.11	22.84%	(1,318.32)
Educomp Infrastructure Services Private Limited	0.00%	0.23	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Educomp Investment Management Limited	0.17%	8.89	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Educomp Learning Hour Pvt. Limited	-6.15%	(317.61)	-0.39%	21.79	0.00%	-	-0.38%	21.79
Educomp Learning Pvt. Limited	0.98%	50.39	0.60%	(33.78)	0.00%	-	0.59%	(33.78)
Educomp Online Supplemental Services Limited	4.71%	243.50	0.02%	(0.85)	0.00%	-	0.01%	(0.85)
Educomp Professional Education Limited	19.45%	1,004.85	0.00%	(0.26)	0.00%	-	0.00%	(0.26)
Educomp School Management Limited	1.80%	92.76	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Educomp Software Limited	-0.09%	(4.45)	0.03%	(1.82)	0.00%	-	0.03%	(1.82)
Edusmart Services Private Limited	-134.46%	(6,947.85)	7.12%	(397.55)	0.05%	(0.09)	6.89%	(397.64)
Vidya Mandir Classes Limited	6.47%	334.40	-1.54%	85.77	0.00%	-	-1.49%	85.77
Knowledge Vista Limited	5.20%	268.47	0.39%	(21.76)	0.00%	-	0.38%	(21.76)
Wheitstone Productions Pvt Limited	-0.03%	(1.72)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Boston Realtech Pvt. Limited	1.31%	67.92	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Crosshome Developers Private Limited	1.45%	74.98	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Evergreen Realtech Pvt. Limited	1.26%	64.93	0.00%	(0.08)	0.00%	-	0.00%	(0.08)
Falcate Builders Private Limited	3.62%	186.79	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Good Luck Structure Private Limited	1.09%	56.29	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Grider Infratech Pvt. Limited	2.05%	105.74	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Growzone Infrastructure Private Limited	2.07%	106.73	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
Herold Infra Private Limited	0.73%	37.82	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Hidream Constructions Private Limited	5.29%	273.41	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
Laservision Estates Private Limited	1.13%	58.51	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Leading Edge Infratech Private Limited	1.47%	75.82	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Markus Infrastructure Private Limited	1.44%	74.32	0.00%	(0.06)	0.00%	-	0.00%	(0.06)

Educomp Solutions Limited

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017

(Rs. In millions unless otherwise stated)

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs)	As % of consolidated profit or (loss)	Amount (in Rs)	As % of Consolidated other comprehensive income	Amount (in Rs)	As % of total comprehensive income	Amount (in Rs)
Modzex Infrastructure Private Limited	1.22%	63.29	0.00%	0.22	0.00%	-	0.00%	0.22
Newzone Infrastructure Pvt.Limited	1.42%	73.23	-0.01%	0.59	0.00%	-	-0.01%	0.59
Onega Infrastructure Pvt. Limited	-0.22%	(11.39)	0.00%	(0.19)	0.00%	-	0.00%	(0.19)
Orlando Builders Private Limited	3.30%	170.47	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Reverie Infratech Private Limited	0.64%	32.86	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
Rockstrong Infratech Private Limited	1.69%	87.35	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
Strotech Infrastructure Private Limited	2.65%	136.88	0.00%	0.11	0.00%	-	0.00%	0.11
Virtual Buildtech Private Limited	1.00%	51.45	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Zeta Buildcon Pvt. Limited	0.58%	29.84	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
<u>Foreign Subsidiaries</u>								-
Edumatics Corporation Inc. USA	0.38%	19.42	-0.09%	5.20	0.00%	-	-0.09%	5.20
Educomp APAC Services Limited	11.58%	598.60	0.86%	(48.04)	0.00%	-	0.83%	(48.04)
Ask N Learn Pte. Limited	0.00%	-	0.30%	(16.71)	0.00%	-	0.29%	(16.71)
Singapore Learning.com Pte. Limited	0.00%	-	0.00%	(0.16)	0.00%	-	0.00%	(0.16)
Pave Education Pte. Limited	0.00%	-	0.01%	(0.77)	0.00%	-	0.01%	(0.77)
Wiz Learn Pte Limited	0.00%	-	0.00%	(0.21)	0.00%	-	0.00%	(0.21)
Educomp Asia Pacific Pte. Limited.	33.61%	1,736.62	-1.45%	80.74	0.00%	-	-1.40%	80.74
Savvica Inc., Canada (Refer note below)	-0.06%	(2.92)	-0.12%	6.48	0.00%	-	-0.11%	6.48
Learning Internet Inc. USA (Refer note below)	-2.38%	(123.02)	2.21%	(123.57)	0.00%	-	2.14%	(123.57)
Educomp IntelProp Ventures Pte Limited	-6.60%	(341.01)	-0.77%	43.17	0.00%	-	-0.75%	43.17
Educomp Global Holding	0.84%	43.40	0.00%	-	0.00%	-	0.00%	-
Educomp Global FZE	-0.23%	(12.00)	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
<u>Joint Ventures</u>								
<u>Indian</u>								
Educom-Raffles Higher Education Limited	0.00%	-	0.26%	(14.30)	0.00%	-	0.25%	(14.30)
Millennium Infradevelopers Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<u>Associate</u>								
<u>Indian</u>								
Greycells18 Media Private Limited	0.00%	-	0.29%	(15.97)	-0.03%	0.05	0.28%	(15.92)
b) Non Controlling Interest								
Indian Subsidiaries								
Educomp Infrastructure and School Management Limited	33.75%	1,744.01	4.28%	(238.84)	-3.14%	5.88	4.04%	(232.96)
Educomp Learning Private Limited	0.48%	24.69	0.30%	(16.55)	0.00%	-	0.29%	(16.55)

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs)	As % of consolidated profit or (loss)	Amount (in Rs)	As % of Consolidated other comprehensive income	Amount (in Rs)	As % of total comprehensive income	Amount (in Rs)
Educomp School Management Limited	0.57%	29.36	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Little Millennium Education Private Limited	0.72%	37.09	-0.01%	0.45	0.00%	-	-0.01%	0.45
Vidya Mandir Classes Limited	2.14%	110.35	-0.51%	28.30	0.00%	-	-0.49%	28.30
Educomp Online Supplemental Services Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Wheitstone Productions Private Limited	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Edusmart Services Private Limited	-141.97%	(7,335.72)	7.01%	(391.22)	0.00%	-	6.78%	(391.22)
Learning Internet Inc. USA (Refer note below)	-0.43%	(22.34)	0.95%	(53.32)	-0.97%	1.82	0.89%	(51.50)
Savvica Inc., Canada (Refer note below)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total Eliminations	39.49%	2,040.54	2.02%	(112.57)	104.28%	(195.06)	5.33%	(307.63)
Total	100.00%	5,167.08	100.00%	(5,584.50)	100.00%	(187.06)	100.00%	(5,771.56)

Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the group financial statements

Note: The standalone financial statement as at March 31, 2017, of Learning Internet Inc. USA (L.Com) and Savvica Inc., Canada (Savvica) are not available with the Management/RP of the Holding Company. The current consolidation of the Group is based on unaudited standalone financial statements of L.Com and Savvica for the year ended March 31, 2016. The below table represents the Group share of balance sheet and statement of profit and loss of L.Com and Savvica as at March 31, 2017 and March 31, 2016 are as under:

Particulars	L. Com			Savvica		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balance Sheet*						
Total assets	687.59	703.44	785.14	8.65	9.08	9.28
Total liabilities	807.85	826.46	688.50	11.43	12.00	18.54
Net assets	(120.26)	(123.02)	96.64	(2.78)	(2.92)	(9.26)

* Movement in 2016-17 represents changes in foreign exchange rate from March 31, 2016 to March 31, 2017.

EDUCOMP SOLUTIONS LIMITED NEW DELHI

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Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2017
(Rs. In millions unless otherwise stated)

Particulars	L. Com		Savvica	
	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2017	For the year ended March 31, 2016
Statement of profit and loss				
Revenue from operations	-	1,138.59	-	7.03
Other income	-	4.76	-	-
Employee benefit expense	-	542.28	-	-
Finance cost	-	-	-	-
Depreciation and amortisation expense	-	115.45	-	-
Other expense	-	616.98	-	0.65
Total comprehensive loss for the year	-	(120.42)	-	6.48
Net cash flow	-	(77.02)	-	0.31

Note 56. Some of the financial creditors, part of the CoC have filled an application before the principal bench of Hon'ble NCLT and have requested to order an investigation of the Holding Company in respect of certain matters pertaining to audit qualifications and media reports. In respect of these cases, hearing has been completed and the order has been reserved as on date.

Note 57. The previous year figures have been regrouped, rearranged and 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/100048

Raj Kumar Agarwal
Partner
Membership No.: 074715

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

Place: New Delhi
Date: September 02, 2019

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

Shantanu Prakash
Chairman and Director
(DIN: 00983057)

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

V. K. Dandona
Whole Time Director
(DIN: 06730804)

Yogesh Saluja
Company Secretary

EDUCOMP SOLUTIONS LIMITED NEW DELHI